THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

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RECOVERY OF WEST PROVES IMPETUS TO RENEWED PROGRESS

Increased Gross Agricultural Revenue Expands Purchasing Power

EASTERN CANADA ALSO

Retail Business is Feeling Urge of Favorable Crop Forecasts and Tourist Business

The fact that no accurate estimate of the total agricultural yield of Canada is yet available in no way prevents current crop reports and prospects from having a very vital effect on the progress of business. Late reports indicate a smaller yield this year than last, but the outlook is for a greater gross income from farm products. This has an important bearing on the plans of business houses for the coming half-year. We know that last year the gross revenue from farm products was about $1,342,132,000. The fact that a somewhat larger figure is in prospect this year should enable the business man to prepare to take a larger share of the returns.

The importance of the higher prices which prevail in the grain and livestock markets, and to which reference has already been made in these columns, is confirmed by such keen students of the business situation as A. E. Phipp, general manager of the Imperial Bank, who recently made a tour of inspection which extended to the Pacific Coast. Similar visits had been made by him during the past two previous autumns, and his observations were on a comparative basis, a fact that made the conclusions all the more important. Among the changes which Mr. Phipps noted were a very decided improvement in spirit and in credit conditions, as well as in actual business. He emphasized the importance of the increased receipts accruing to the farmer, and secondarily to business, from the larger volume of grain which has been marketed this year since the price advance, as well as the increased returns to stock raisers. Shipments of wheat alone, during the first three weeks of June, the last figures available, were 15,930,000 bushels as against 7,977,000 bushels last year. At the increased price this means a distribution of at least a million dollars more than for the same period in 1923. While prices of livestock are not as high as at this time last year, the number sold is very much greater except in the case of sheep which are being held on account of the higher prices received for wool. The total number of cattle and calves sold this year to July 3 was 492,000 as against 437,000 for the same period last year. The gross revenue is thus higher than in 1923 and the improved buying power which resulted soon reflected itself on the trade in local communities. The margin of profit upon which buying power is based should be greater when it is considered that the cost of production, which in some cases left little margin last year, will not be greater, but in many cases should show a reduction. Furthermore a larger proportion of the crop will be used for feeding purposes with the result that returns from dairy products, beef cattle, and other branches of mixed farming will be on an increasing scale.

Better Conditions in West

Another important factor in the western situation is the continuation in force of the Crow's Nest Pass Agreement. According to reliable advice, this will mean a saving of $10,000,000 annually to the consuming public of the west. Its psychological value, moreover, will probably be worth still more, as it will undoubtedly prove an impetus to retail buying, and will help to create a better feeling in Western Canada.

Perhaps the most significant

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Canadian Conditions

Car Loadings—Year to date—			
	1924	1923	
	1,401,236	1,287,265	+ 8.9%
Building—Five Months—			
	1924	1923	
	$38,988,062	$49,925,237	—21.9%
Bank Clearings—Five Months—			
	1924	1923	
	$6,146,469,440	$5,983,250,650	+ 2.8%
Grain Movement—Receipts to date—			
	1923 crop	1922 crop	
	402,340,591	304,861,844	+32.0%
Savings Deposits—Chartered Banks—			
	1924	1923	
	$1,211,504,684	$1,227,253,431	— 1.3%
Current Loans—By Banks—.			
	1924	1923	
	$1,005,425,951	$1,087,969,788	— 7.6%
Net Dominion Debt—			
	1924	1923	
	$2,385,263,512	$2,406,399,510	— 0.8%
Railway Earnings—Six Months—			
	1924	1923	
C.P.R.	$ 81,831,000	$ 77,951,000	+ 4.9%
C.N.R.	114,862,559	115,913,120	— 0.9%
Balance of Trade—Twelve Months, May			
	1924	1923	
Exp.	$1,069,715,880	$ 958,844,577	+11.5%
Imp.	873,370,752	841,209,002	+ 3.8%
Bal.	196,345,128	117,685,575	+67.0%

"Ginger" Group Using Their Power on House

From Our Own Correspondent.

OTTAWA.—The "ginger" group among the Progressives, which has received an accession of strength during the last week, is apparently not disposed to shut down quickly on the work of the session. Urging that the banking situation demands greater consideration than it has received, there is a determined effort to force their monetary experiments on parliament.

The Conservatives do not intend to take any chances, either on redistribution, or on the single transferable vote. The impression is now deepening that the probability of a fight over the latter is now remote, which would mean its withdrawal by the Government.

WESTERN CROP NOT SO BIG AS LAST YEAR

General Conditions Fair, but Late Spring and Dry Spell Have Their Effect

By E. CORA HIND,
Commercial Editor, Manitoba Free Press.

WINNIPEG. — Good rains have been received since last Saturday, largely covering all districts of the three prairie provinces and have to a great extent relieved the situation, which was becoming serious owing to drought in Manitoba, Saskatchewan and Northern Alberta.

The wheat crop generally is from one to two weeks late, due to the cold backward spring and is quite short, due to the lack of moisture received in June. Generally speaking it is in the shot-blade and in some districts heading out.

Several districts report considerable damage from cut-worms and other grubs, but there has been no damage from hail, and so far, nothing has been heard of rust. Undoubtedly some damage has been done by the sustained drought which, with the lateness of the season, will reduce the yield in some important areas.

The weather now appears broken, and with favorable conditions existing from now on a very fair average crop can be anticipated, but the total yield will not be as large as last year.

SERIOUS LOSSES ARE PREVENTED BY TIMELY RAIN

Effects of Drought Reversed and Outlook Now Very Favorable

The showers of the past ten days which were fairly general throughout Central and Western Canada have been the saving factor in a situation which was becoming increasingly serious. The late spring, followed by severe drought had begun to cause no little anxiety. The need for moisture in many parts of the West was urgent, and a continuation of the period of hot dry weather would have endangered the crops over a large area. As it is, some damage was done which cannot be undone. On the whole, a fair average crop is likely to be realized, but the yield, in all probability, will be smaller than that of last year.

The rainfall referred to above was general in nearly all parts of the West with the exception of British Columbia where dry weather still persists. In spite of this the crop outlook is average, and a very fair yield of hay has been cut. Pasturage on Vancouver Island and in the dry area of the mainland is very poor. The fruit crop is not above average; fact, the yield of some of the smaller fruits is much below normal.

Throughout the Prairie Provinces, the outlook is much better than was the case a week ago. Alberta is probably the most favored. The southern area which so often suffers from lack of moisture has this year received the most abundant share, and the crops look unusually well. A report from Lethbridge states that the crops are better than for some years. Since Alberta produces more hard wheat than all of the United States, the favorable outlook is significant. The northern part of the province was somewhat retarded by cold dry weather, at least until a few days ago. Reports from the Peace River country indicate a quite favorable outlook. The crop of alfalfa especially in the southern area is the best for years and abundant fodder foretells expansion in the feeding industry. Practically the entire province of Saskatchewan was in bad need of rain. Here again the south fared better than the north. The recent rains were fairly general and the present outlook is very satisfactory. The south-western portion of Manitoba has received an abundant share of moisture and should produce a big crop. Wheat is in the shot blade and should be well headed out by the middle of the fonth. In the northern districts rain was badly needed until the situation was corrected by last week's showers. Apart from being ten days late the grain in Manitoba looks well. As is the

(Continued on page 4)

IS TRADE OFFICE OF U.S. AT OTTAWA POLITICAL MOVE?

American Interests Seek Our Pulpwood and Hydro Power

Special Correspondence.

OTTAWA. — The announcement that the United States Government has decided to set up here a new foreign trade service under two trade commissioners has awakened lively interest. It is generally interpreted as an indication that the United States is preparing to make a lively drive in the Canadian trade field. This is considered as a natural development, for in proportion as business falls off at home Americans may be expected to go after it abroad, especially in near-by countries.

There is an impression that the Americans have considered the recent reductions in the tariff as presenting an unusually favorable opportunity for the extension of business over here. The reductions made in the tariff on machinery will help the American firms almost entirely, all the benefit that British or continental firms will get being almost negligible. In farm implements alone United States firms should greatly increase their sales over here.

Is it Political?

On the other hand, there are some who see in the new appointment a political objective. Ottawa is no place for the ordinary trade commissioner—the man who is out to sell more U. S. products in Canada in the ordinary way, but Ottawa is the place where laws, regulations and favors can be secured to aid trade in a big way. In the past, far-seeing U.S. interests have directly, or with the aid of local agents or by propaganda, "put over" on legislators and public officials a number of very clever wordings in our laws and particularly in our customs tariff items, which gave American manufacturers and other producers practical control of the Canadian market. In recent years, various groups of Canadian producers have been formed and have been pressing for fair play. The governments and officials have been generally prompt in acting on these representations and a number of changes have been made. But there is much to be done yet to put Canadians on a par with American exporters to Canada. U. S. interests have been making strenuous efforts to retain their special privileges, not only at Ottawa but by organization of groups of Canadians to support them by propaganda and other influences. In one case they had a group of Canadian public officials so bluffed and so misinformed as to work at Ottawa for U. S. manufacturers and against Canadian interests. It is generally believed that the new U. S. commissioners' efforts will be along the big but indirect political rather than direct trade lines.

Americans are to-day worrying, particularly over the possible embargo on pulpwood and an export duty on pulp and a number of subsidiary interests based on this raw material and our efforts to develop our own coal resources are endangering their own mining just when it is in a depressed condition. They would also like a supply of Canadian hydro power. It is but natural they should have men at Ottawa with the prestige of the U. S. Government at their back to pull political wires on their behalf.

Growth of Imports

The growth of United States exports to Canada has been one of the most remarkable features of our trade. In 1868 imports from the United States were valued at $22,600,000. Thirty years later they were approximately $75,000,000; while in the year ending March last they were $601,000,000. At present imports from across the line have slumped somewhat, having during May been but $46,123,000, or $12,670,000 below that for the same May, 1923. There is, however, nothing to indicate that this is of anything but temporary duration.

The big plants in the United States must be kept going, if this is at all possible, and if the home demand for goods is not sufficient for this purpose a determined effort will be made to secure an outlet abroad. Representatives of important industrial interests here consider this as the next move on the boards.

SAY HEARST BUYS GERMAN PAPER AT CUT RATE PRICES

U. S. and Canadian Mills Feel Effects of European Competition

By Staff Representative.

NEW YORK.—American newsprint paper manufacturers are disturbed by the large imports of newsprint from Germany, particularly as the paper that is being imported is being sold at cut-rate prices in the United States. There has been a steady flow of this European paper to the States for the past three years or so and in May around 15,000 tons came in. This is about equivalent to 7 or 8 per cent. of the total monthly newsprint production on this continent; not a large percentage but sufficient to make the importations an unsettling influence.

The paper is being jobbed around to various publishers. William Randolph Hearst, probably the largest buyer of newsprint paper in the world, has bought quite a bit and has been able to use it as a lever to buy paper cheaply from Canadian and American mills. It is understood that Hearst has bought paper from $65 to $68 a ton, as compared with the present contract price of $73 a ton.

The German paper can be laid down so cheaply for several reasons. In the first place much of the wood comes from state forests where intensive cultivation enables the forests to be replaced in a measurable period. Labor costs are low and exchange is also a factor.

Combine to Keep it Out

American newsprint manufacturers are trying to get the co-operation of Canadian manufacturers to curb the importations. Action along this line may be taken soon and it is understood that policies are being formulated. It is too early yet to reveal the nature of the plans on foot.

The objection of the mills on this side to this cheap European paper is based upon the fact that they do not feel that even the present price of newsprint provides a sufficient margin of profit when mills are running less than 100 per cent. of capacity.

Publishers, on the other hand, welcome the European paper which is now up to the North American grade although at first it was poor in quality. They feel that the life of the two cent or three cent paper depends on cheap newsprint—even cheaper newsprint if they can get it. Hearst said the other day in an interview that he did not look for universal five cent dailies unless newsprint prices climbed much higher. That shows how publishers are thinking.

The situation is not a purely technical matter for paper men and publishers to watch but a matter of such vital importance to the paper industry as to merit the close attention of investors in the companies. To date the Canadian companies have not paid a great deal of attention to the foreign supplies of newsprint although in a market where there is a certain amount of over-production and price-cutting the matter is given more serious thought.

Advertising in States Helps Tourist Traffic

From Our Own Correspondent.

SYDNEY.—Nova Scotia's publicity campaign, which has included advertising in the United States, is apparently showing some results already, according to hotel keepers at Baddeck and elsewhere who report that their houses are practically booked up for the summer with American tourists.

Port Alfred Company to Take Over Bay Sulphite

From Our Own Correspondent

MONTREAL. — It is understood by THE FINANCIAL POST that a company known as the Port Alfred Pulp and Paper Company will take over the properties of the Bay Sulphite Company. The plan of reorganization is practically completed and involves new financing. Eventually paper making machines will be added to the present Port Alfred mill, which manufactures sulphite pulp only.

Repeal of McKenna Duties May Aid Our Trade With Australia

From Our Own Correspondent.

OTTAWA.—During the last 10 days something has been done to improve trade with Belgium and Finland through the negotiations of commercial treaties. The treaty with Finland, now before parliament, gives this country the most favored nation treatment in the Finnish state, and Finland gets the same in Canada. Last year Canada exported a little over $1,700,000 worth to Finland. One of the concessions Canada gets is to the effect that the 20 per cent. duty on motor cars is reduced to 8¾ per cent.

The treaty with Belgium is the first signed by Canada on Canadian territory. It gives Canada the benefit of the intermediate tariff in Belgium. That country is a very good customer of Canada, exports thereto during the year ending March having been $17,452,000. Last year Belgium was our second best customer in Europe, being only $1,450,000 behind France in this respect.

Nothing has recently been heard officially respecting the new trade treaty with Australia, but it is understood that satisfactory progress is being made. The delay in its conclusion has not injured Canada's interests, for the rejection of the preferential trade proposals in England has made Australia easier to deal with.

Banker for Reciprocity in Products of Farm

It is important that business and financial Canada should understand the trend of public opinion on economic questions in Western Canada when the representatives of the prairie provinces in the Commons are having such a big say in government policy. There is much of interest, therefore, in the address of S. L. Cork, Royal Bank supervisor at Winnipeg, on the relations between the Western provinces and the Western states delivered at a bankers' convention at Fargo, as reprinted on page 15 of this issue.

One interesting statement of Mr. Cork indicates his conviction that reciprocity in farm products would be in the interests of western farmers on both sides of the international boundary.

MAY IMMIGRATION A DISAPPOINTMENT

Increase of the Earlier Months of the Years is not Being Maintained

From Our Own Correspondent.

OTTAWA.—Immigration returns for the first five months of the year incline those who follow them closely to the conclusion that the total for the calendar year will not show as large increase over 1923 as many had considered probable. There were good increases during the first four months, but in May it was equal only to 10 per cent. During the latter part of last year nice increases were shown, but it will be surprising if anything much better than a 10 per cent. increase is shown during each of the remaining six months.

The arrivals during May were 19,494, as compared with 17,767 for the same month last year. From the British Isles the increase was 30 per cent. during April and May, but from continental countries it was over three times that, or 103 per cent. Only 1,799 immigrants entered from the United States, or 15 per cent. fewer than for May, 1923. It is this decline in arrivals from the Republic that is offsetting, to some extent, the gains made in arrivals from other countries.

RAIL ORDER IS BUSINESS BOON TO BESCO PLANT

Shut-Down an Opportunity to Reorganize the Staff

From Our Own Correspondent

SYDNEY.—While the Sydney and Trenton plants are partially closed for lack of business, Besco is taking advantage of the situation to make some needed and long deferred staff changes which will put the corporation in the position to produce more efficiently and economically when operation is fully resumed.

For many years, through a series of changes in administration, official appointees have been accumulating until at the time of the last strike one of the main grievances of the men was that they could not get higher wages because the plant was over-staffed and its earnings eaten up by officials, foremen and minor bosses of one kind and another.

At present this situation is being remedied. In some departments two or three officials are found sufficient to take care of duties formerly divided between seven or eight.

The general public of Nova Scotia, which is tired of official shilly-shallying, was favorably impressed with the outspoken frankness of Vice-President J. E. McLurg who did not beat about the bush but told the people the worst at once—that the plant was to close for 3 months.

Now urgent representations at Ottawa have resulted in a rail order which will probably avert the shut down entirely—except for two or three weeks while necessary repairs are made to the plant. The C. N. R. order will keep the mills going until September by which time general improvement in the steel industry is expected.

When that improvement comes, it will find the Sydney plant stripped of deadwood and with just enough officials and men to produce steel at minimum cost.

Alberta Will Make Coal Competition Keen

From Our Own Correspondent.

OTTAWA.—An important item in this year's supplementaries is that of $200,000 to provide assistance for the transportation of Canadian coal to the central provinces by way of payments to railway companies. This means that the government will make up to the companies the loss that they will sustain through hauling at a very low rate. Of course, this means that Alberta coal is to have a chance to get into the Ontario market on an even basis with the cost of the American product. It is expected that this will result in quite lively competition between the Western and the American producers for the Ontario and Quebec market.

LOW POWER MAKES U.S. PAPER MILLS MOVE TO CANADA

St. Regis Sells Bond Issue to Pay for Site for Plant

SELL POWER AT HOME

Can Make More Money Out of Power Sites Beside American Mills by Selling Electricity to Consumers

From Our Own Correspondent.

MONTREAL.—In New York this week there were offered $1,500,000 of debentures of the St. Regis Paper Company of Canada. The issue had some significance for a large part of the money will be utilized to pay for a site recently acquired just outside of Quebec City for a newsprint paper mill that the St. Regis Company plans to erect. No date is set for the commencement of construction work. This would have been proceeded with during this year had not over-production of newsprint become a determining factor against further immediate expansion in this field.

One of the most interesting features of the St. Regis programme is that it means the ultimate concentration of newsprint production of the company in Canada. The company is now the third largest newsprint producer in the United States but to date has produced only pulpwood in Canada. This pulpwood has been shipped across the border and utilized as raw material for American plants. Anticipating the embargo on pulpwood and realizing the effectiveness of economies from manufacturing in Canada the St. Regis Company recently decided to move to Canada in part—and possibly, ultimately,—in toto. It was planned to start with a 200 ton mill in Quebec, later to be enlarged to manufacture 500 tons a day.

This it was the more ready to do as the power from its valuable water power sites throughout Northern New York was in keen demand. The company sold its power sites to a subsidiary company, which has installed up-to-date electrical generating equipment to utilize water that was formerly harnessed by the less efficient hydro-mechanical equipment. This has given the subsidiary company what will eventually total 141,000 h.p. in addition to undeveloped sites. And this is being sold all over the State of New York, north of Utica. Much power is needed to make paper and the cheaper Canadian power will be used for this branch of the business.

The subsidiary—known as the Power Corporation of New York—has grown so rapidly as to eclipse the parent company—the St. Regis Paper

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Canada Well Advertised at Big Power Conference

From Our Own Correspondent.

MONTREAL.—The story of water power development in Canada was thoroughly told to the 2,000 delegates to the World Power Conference in London that closed its sessions this week. Cable despatches of the proceedings of the conference indicate that Canadians had a big place on the programme and the water power resources of Canada were given a great deal of discussion.

Delegates at the conference represented 39 countries and it is anticipated that one result will be the stimulating of the flow of capital to Canada for power development.

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The Business Outlook

UPWARD MOVEMENT BECOMING GENERAL ACROSS CANADA

Basic Trend Toward Improvement Makes Most Progress in West

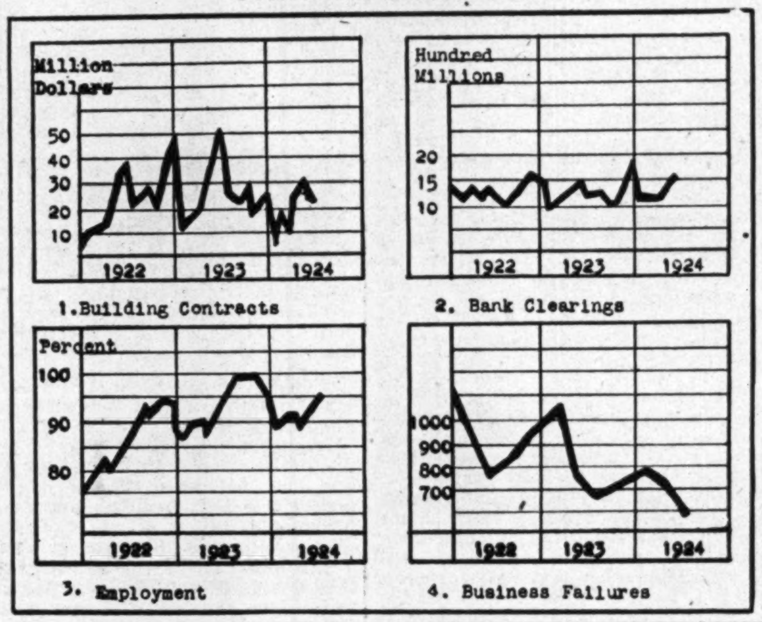
While such factors as prices and bank clearings have remained practically on the same level for many months, the underlying conditions affecting purchasing power and volume of sales have been following a gradual but very definite upward trend. This is indicated by the marked improvement in the employment situation and in business failures. The employment figure for the Dominion now stands at 95.2 as against 91.8 at the beginning of May. It will be noted that there is a marked seasonal trend upward at midyear. This year's upswing has not yet equalled that of either of the previous years and since the situation is dependent upon similar conditions to-day, it is not unlikely that a comparable upward trend is now taking place. Since the employment index represents purchasing power, its trend is significant.

The most favorable feature of all is the very marked decline in the number of failures in Canada. During the past two years the rate of business mortality has been unduly high, and its decline in so definite a manner is indicative of recovery.

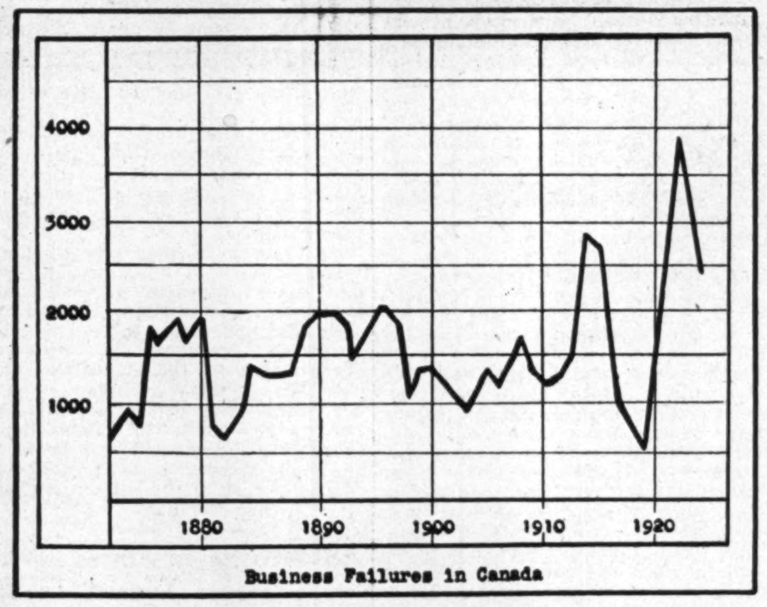
Although the graph representing building contracts has not shown a very decided movement, it is at least maintaining its position. It should not be overlooked in this connection that a relatively low building program presents a better outlook than the reverse, and the prospects for increased building activity are quite good this summer.

Those who have followed the graphical survey of conditions in the different provinces will realize the significance of the above review of the country as a whole. The Maritime Provinces show a fairly even trend without very marked indications of improvement as yet. Quebec and Ontario have experienced a moderate improvement especially in such factors as employment. The Prairie Provinces have not had any very definite upward movement, but the outlook there, in view of the present crop conditions, is probably better than in any part of the country. British Columbia shows the largest degree of improvement up to the present, and the sales opportunities in the province are as great or possibly greater than in any other section. That the composite picture of the country as a whole is more promising than that of any of the separate provinces is very significant. It has been compiled most recently and indicates improvement since the series was begun.

Conditions in All Canada



Failures Since Confederation



Business Failures in Canada

Despite the steady increase in the number of commercial firms carrying on business in Canada, and in the amount of capital invested, there has been an unexpectedly small increase in the total number of business failures. This is due largely to the stability of conditions both economic and political, and to the fact that the safety with which business is carried on is constantly on the increase—a fact that should be emphasized in our foreign advertising.

The failure peaks in Canada were in the late 'seventies, in 1896, 1908, 1914, and 1922. In nearly all of these cases the peak was followed by a long swing of progress and prosperity when the number of failures was small. The highest peak of all, as shown in the accompanying chart, was in 1922. Since that time the failure line has started on a sharp downward trend similar to that in each of the former periods of recovery or of business expansion. The total number of failures in 1922 was approximately 3,700. This total dropped in 1923 to about 3,300, the figure declining during each successive quarter. For the first quarter of 1924 the total was 774 as against 1,020 for the first quarter of 1923, and the figure for the second quarter was 527 as against 783 for the second quarter of last year. This makes a total of 1,800 against 1,800 for the first half of last year. It thus appears very probable that we are starting down the trough of lower business mortality such as that which has succeeded other failure peaks, or that a period of business expansion is ahead.

NEXT WEEK—CANADIAN RAILWAY STATISTICS.

EXPORTS TO STATES ARE MUCH LARGER

Wood Products Were Largest Factor in Rise — Sales of Farm Products Increase

The general recovery which business is experiencing throughout the country is further emphasized by the foreign trade figures for the twelve months ending with May. In comparison with the same period last year, this year's total of $1,083,005,472 represents an increase of 11 per cent., while it is 44 per cent. greater than the figure for two years ago, a rather remarkable showing for a period when business is considered by many to be below normal.

The biggest factor in the trade expansion was in the case of our exports to the United States, which increased 10 per cent. from $388,266,000 to $428,094,000. The largest single item in this was an increase of $23,000,000 in wood and paper products. The value of pulpwood exported to the States jumped from $11,252,000 to $14,165,000 and the value of paper sold in the American market rose from $74,000,000 to $91,000,000. A small increase took place also in the case of mechanical and chemical pulp, as well as in the quantity of timber and unmanufactured wood. The favorable expansion in American purchases of Canadian butter, which commenced to become marked a few months ago, has been well sustained, and the sales of fish has increased. Apparently the American market offers a continuous outlet for Canadian wool. The amount of raw wool exported to the States last year was 5,329,000 pounds as against 2,966,000 pounds in 1923 and 477,000 the year before.

Our exports to the United Kingdom during the past twelve months increased also, but only marginally, while our imports increased slightly in comparison with the previous year.

SHORTAGE OF WOOL IN WORLD MARKETS OUR OPPORTUNITY

Great Britain Offers Market for Canadian Product Properly Graded

The fact that the Canadian farmer is stepping into the breach caused by the current shortage of wool throughout the world promises a substantial permanent increase in the agricultural revenue of the country. According to present indications Canada can and will supply increasing quantities of high grade wool to the world markets.

The present shortage is partly cause and partly effect of the price changes. The average price of wool before the war was about 17 cents per pound. In 1919 this average had increased to 65 cents. Subsequently prices receded to 15 and 20 cents but the present average is in the neighborhood of 30 cents. After the 1921 slump in prices, the production of sheep in many countries fell off sharply. This fact in conjunction with the exhaustion of the surplus war stocks has led to the present shortage and has created a new demand.

The obvious adaptability of practically all parts of Canada to sheep raising suggests what is actually taking place—the expansion of this phase of farming in every province. To-day there are some 2,000,000 mature sheep in Canada and this year's yield will probably reach the high total of 12,000,000 pounds with an additional 4,000,000 pounds of pulled wool. While it is impossible to estimate the average price that will be realized on all this wool, it is fairly certain that the aggregate will be far in excess of that received normally. In 1921 the average price was 14 cents and the total yield 21,000,000 pounds. The value of the total was thus about $3,000,000. The average for 1922 was 17.5 cents with a total of 18,523,000 pounds giving a value of $3,149,000. During 1923 the average price was 23 cents, the production 15,539,000 pounds and the value $3,574,000. Assuming the current price of 30 cents to be an average, the aggregate value of the output this year should be in the neighborhood of $4,800,000, a much larger amount than has been realized from this industry for some time.

It is a very significant fact for Canadian wool that it is getting a strong foothold in the British market. Until very recently Canadian wool was not taken at all seriously in England. To begin with it was not properly graded. This handicap, fortunately has been removed and Canada's export of wool jumped in value from $22,000 two years ago to $320,152 during the twelve months ending May. Not only do we appear to have secured a permanent market in Britain, but the United States needs increasing quantities of our wool annually since they produce only about half of their own requirements. It would thus appear that Canada is not only to benefit from a temporary wool shortage but is destined to become an increasingly important sheep raising country.

TARIFF RULINGS

Canadian and Foreign Decisions of Interest to Exporters and Importers

Newfoundland.—The following further information has been received as to the classes of pork and beef which have been exempted from duty in Newfoundland. The tariff items in question with the former rates of duty are as follows: beef, when salted in barrels, including duty on package, per barrel, $1; pork in barrels and half barrels, viz: mess, family, prime mess, rump, extra prime bean, clear butt and ham, including duty on package, per barrel, $1.50; belly pork, or family mess or loin pork, including duty on package, $1.50; belly pork, or articles are also exempted from the sales tax of 5 per cent.

British India.—The steel industry protection bill designed to give complete effect to the recommendations of the Tariff Board for the grant of protection to the manufacture of steel in India has been adopted, with certain modifications, by the Legislative Assembly. The proposal that the import duty on certain agricultural implements be increased was not adopted and these articles will remain subject to the existing rates.

Italy.—The temporary reduction in the duties on flour and semolina and the temporary exemption from duty on cereals imported into Italy have been extended until December 31, 1924.

South Africa.—A special dumping duty has been imposed on cement imported into the Union of South Africa from Canada. This duty is to be equal to the difference between the selling price to South African importers and the home consumption price in Canada increased by f.o.b. charges, but the duty is not to exceed 25 per cent. ad valorem.

Syria.—Effective May 1, 1924, the normal rate of duty on merchandise imported into Syria and the Lebanon is 15 per cent. ad valorem with the exception of the following articles, on which the former rate of 11 per cent ad valorem is maintained:

Live animals, cereals and flour thereof, rice and rice flour, potatoes, coffee, sugar, preserved foodstuffs (meat and fish), butter cheese, milk, mineral waters, wood, and building materials.

Silkworm eggs, cotton seeds and seeds of other textile producing plants are exempt from import duties.

A "maximum" tariff with a fixed rate of 30 per cent. ad valorem is also established to be applicable to importations from countries other than those which are members of the League of Nations, the United States and Turkey. The "maximum" tariff is reduced to 15 per cent. ad valorem in the case of the following articles:

Live animals, cereals, rice, wheat, flour, potatoes, butter, wood for construction purposes, sawn wood, fuel, unslaked lime, cement, bricks, tiles and roofing slates, window glass, ordinary paving stones, chemical manures, petroleum, and agricultural machines.

Netherlands.—The new tariff bill which has just been introduced in the Netherlands Parliament provides for an increase in the general ad valorem rate of import duty from 5 per cent. to 8 per cent. It is also proposed to increase the duty on motor vehicles, including chassis and bodies and motor cycles, from 5 per cent. ad valorem to 12 per cent. ad valorem. A tariff commission has been provided to settle contested cases.

It is estimated that the increase in the state income will be 10,000,000 florins if the bill becomes law.

The Irish Free State Government has set up a committee to inquire into and report on the question of requiring the importation of 30 tons of offals (chaff, bran, etc.) with every 70 tons of flour imported into the Free State, with a view to introducing legislation for the carrying out of such proposals.

This action is taken for the double purpose of protecting the home milling industry and of aiding the stock raisers of the Irish Free State by assuring ample supplies of stock feeds.

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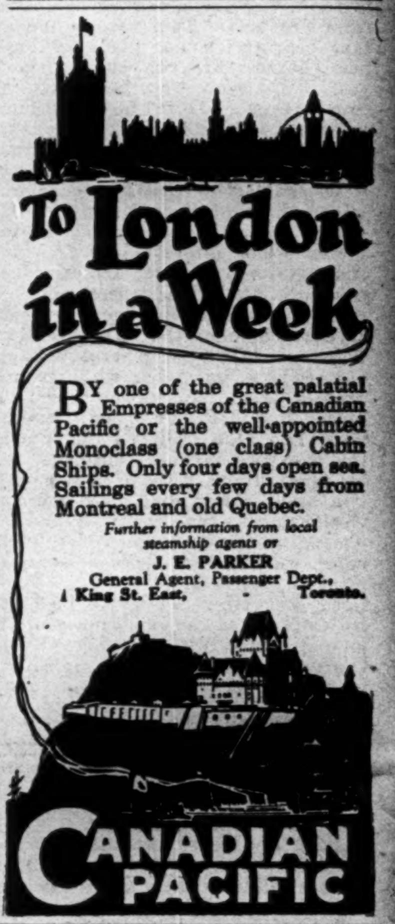
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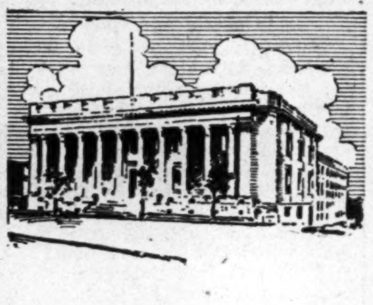

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The railroads of the United States could effect a saving of 15,000,000 tons of coal were the water for its locomotives softened by a lime preparation, it is contended by the committee on lime of the American Society for Testing Materials, in convention at New York.

STRICT ECONOMY ON WESTERN FARMS ASSURES PROFITS

Prairies This Year to Have Low Cost of Production

DIVERSIFIED CROPS

Mixed Farming Now a Reality—Good Yield Will Provide Surplus for Shopping

Special Correspondence.

WINNIPEG.—The recent advances in the price of grain have had a very stimulating effect on the West and predictions are being freely made that the returns from the crop of 1924 will be generous enough to enable the farmer to throw his bottle of red ink through the window and prepare to make a few entries on the credit side of the ledger.

The growth this year has been slow but steady. Generally speaking the crop is from ten days to two weeks behind last year but a spell of warm weather such as Alberta got in the second half of last year's growing season will work wonders. Rain is needed in some parts of the country, but the crop generally has had enough moisture to get firmly rooted. A large proportion of the wheat is in the shot blade while the barley and oats are also doing very well and are at about the same stage as the wheat. The fall rye is headed out. A fair quantity was put in for contingencies last fall and other farmers are experimenting with millet and other unusual crops.

Is Own Hired Man

Following his resolutions regarding economy the average farmer is trying to get through his summer-fallow without hired help, having let the man go right after seeding, to be re-engaged at harvest and threshing. There is an active demand for farm help, however, by those farmers who have a lot of summer-fallowing to do and also who are being forearmed with reference to the coming harvest. Labor is fairly plentiful.

The new trend towards stock-farming is not getting much encouragement, cattle prices showing a tendency to drop off despite the fact that receipts have not been overly heavy. The more progressive farmers find themselves in something of a quandry. Realizing that scrub stock does not pay, they have started in to build up pure-bred herds. One farmer last week offered some of his ordinary grade milking stock and was offered $15 a head. The cheapest pure-bred cow he could get was $80 so that for some time the cow boarders will continue to be carried.

Dairy herds are paying current expenses and given better dairy stock the western farmer is going to be a year round purchaser instead of just a seasonal shopper (or rather his wife is, for the cream checks are household perquisites).

With strict economy in the matter of farm expenditures, excellent prospects for a good crop at a good price, a stronger tendency towards mixed farming and the western farmer is going to be in the shopping arena this fall.

Appreciates Concessions

The resumption of the Crows Nest Pass agreement is also an encouraging factor so far as he is concerned, not so much for the actual saving on commodities, but that it is still another concession that will help him get down the cost of marketing his own crop and cut the cost of the things he must buy from eastern Canada. The question being largely one of morale, every little concession helps, and things seem to be coming his way at last. The leading farmers are also entertaining the opinion that the resumption of the Crows Nest Pass rates in toto will have the same effect as the partial concessions made some time ago; that instead of a loss it will entail a profit to the transportation companies through the greater volume handled.

Favors Manufacturers Naming Retail Price

That it is to the advantage of the retailer as well as the consumer for the manufacturer to name a retail selling price, was the opinion expressed at the Ontario Grocers' Convention. The resolution, stating that "when a fair retail sale price adopted by a manufacturer on trade marked goods and when a manufacturer insists upon the marked retail price that it be adhered to by all who handle such goods" caused a slight discussion. E. G. Thompson, Blenheim, was of the opinion that if merchants did not adhere to the price that it would lead manufacturers to make a cheaper article or put up his product in a smaller package in order to conform with the prices quoted by "cut raters." "The consumer would then be the loser in the end," said Mr. Thompson, "and the merchant who sold quality lines would seek another brand."

The Grain Movement

OTTAWA.—Preliminary figures showing receipts at the head of the lakes also Vancouver B. C., for the period from September 1, to June 27, 1924.

	Fort William and Port Arthur	Vancouver
Wheat	279,089,840	50,418,224
Oats	47,373,903	613,186
Barley	14,332,383	64,168
Flax	4,311,928	......
Rye	5,803,315	333,644
Totals	350,911,369	51,429,222
Same period 1923	287,876,531	16,985,313
Increase over last year .	63,034,838	34,443,909

Winnipeg Printing is Going to United States

From Our Own Correspondent.

WINNIPEG.—Resentment at the large amount of printing which is being sent from this city to be done in the East or in the United States, has been expressed by the recently organized Graphic Arts Association which is made up of master printers in Winnipeg. One of the chief aims of the association, it is stated, will be to discourage as far as possible Winnipeg business houses to send their work outside. It is contended that the local establishments can compete in price and quality of workmanship with anything which is produced elsewhere.

CONDUCTS TRADE DEPARTMENT AS BUSINESS OFFICE

Trade Commissioner Ross, of Australia, After Business

That he is conducting a trade agency rather than a government bureau is the impression regarding the office of the Canadian trade commissioner in Australia, which Commissioner D. H. Ross is endeavoring to convey to Canadian manufacturers seeking to establish export relations in the Antipodes. When Mr. Ross entered the service 21 years ago he had behind him wide experience in the practical field and since then he has consistently worked to prevent his office and his service becoming cluttered up with red tape. All kinds of inquiries are invited, and the office at Melbourne is operated on the basis that satisfaction must be rendered rather than that the doors must be kept open certain hours, or that so many oficial reports must be made. Mr. Ross makes it a point to endeavor to speak to all callers at his office, no matter what appointments he may have and likewise the motto is to endeavor to give service to all those who make inquiry by mail.

Commissioner Ross is now in Canada on one of his periodical visits made every five years. He is traveling about the country interviewing manufacturers and endeavoring to extend trade relations in this way. To those with whom he comes in contact he is very much the trade agent, displaying energy and practical directness which are too often foreign to government representatives. He is working right across the country with stops at all important industrial centres. The personal contact with the manufacturers he considers highly important, and one gathers that his visits would be more frequent than once in five years if the arrangements could be worked out. In these times industrial products and trade conditions are changing so rapidly that a great deal can take place in five years.

Mr. Ross invites all manufacturers seeking to establish trade connections with Australia to communicate with him and send their catalogues, price lists, etc. To these manufacturers he offers the following advice:

If Canadian manufacturers expect to establish their products permanently and successfully in Australia, they should, if possible, send out their own representative and practically assist him in the hard initial work of introducing their lines into a somewhat conservative and well catered for market.

It is admitted that the expense of such methods prevents many Canadian manufacturers undertaking the exploitation of distant markets, but it should be a comparatively easy matter for three or four non-conflicting industries to combine in engaging a capable representative and keep him constantly or frequently on the ground. Such is the procedure that has been successfully followed for many years in Australia by manufacturers in other countries.

In passing, it may be observed that some Canadian travelers—probably quite successful at home—have been comparative failures in Australia, as they arrive with no discretionary powers and entirely ignorant of the intricacies of export trade.

When it is impracticable to send out a direct factory representative, the only alternative is to secure the services of energetic and reliable agents in Australia. To the knowledge of this office, in many instances where such representation has been obtained, the business has increased at a satisfactory ratio. At the same time, it is only fair to state that, where success has been achieved, the practical and persistent co-operation of manufacturers has been maintained far beyond the rather expensive initiative stage.

The position as between Canadian manufacturers and their oversea agents can be summed up in the word "confidence." When the services of the right men are obtained, then should follow co-operation, encouragement and prompt attention to their advices and suggestions.

Appointing Agents

From recurrent correspondence, it would appear that at least some Canadian manufacturers fail to accurately comprehend the nature of applications for their selling agency addressed to them by manufacturers' agents in Australia. Such applications have, in some instances, brought a reply covering price lists and soliciting an order for the goods.

Apparently to some firms the term "agent" implies a purchasing agent, and therefore the general acceptation of the term, as understood in Australia, is not always so understood in Canada. Independent of the oversea commission houses (chiefly in London and New York) which have branch offices and sample rooms in the principal Australian centres, and the direct resident representatives of leading oversea industries, the local or resident manufacturers' agents of foreign companies constitute a wide fraternity throughout Australia but more especially in Melbourne and Sydney from which points they generally cover the whole Commonwealth.

These local commission agents are not singular to Australia, but it is quite probable, owing to its great distance from the world's markets, precluding factories sending out their own representatives, that the cult is more keenly developed in the Commonwealth than in most countries.

As in other walks of life, there are good, bad and indifferent agents, and it is most obvious that Canadian manufacturers and exporters should take particular care in appointing men of recognized character and ability to represent their goods in such a distant and important market.

Some Australian agents for important oversea manufacturers are given practically a free hand in conducting their selling campaign, and it should not be overlooked that distant buyers generally place more reliance on "the man on the spot" than upon the firm he represents. Poor representation is, in effect, worse than none at all for the reason that the line of goods offered is frequently judged by the calibre of the man representing it.

With comparatively limited exceptions, all Australian manufacturers' agents are British or of British descent hence, if in other respects satisfactory, there can be no objection to appointing them on the score of nationality.

Under no circumstances is it advisable for Canadian manufacturers to appoint agents in Australia until they are absolutely certain—as the result of reliable inquiry—that the agents are worthy of confidence. When appointed, the established confidence and every possible support should be extended to them. Obviously, the reputation for straight dealing and character comes first, and abilities as successful salesmen come second in the consideration of appointment of oversea agents.

Unless there is a special agreement to the contrary, Australian agents for oversea manufacturers do not sell goods on their own account, as they act only as agents for their principals. The financial position of agents is rarely a matter of importance to their principals, for seldom is there occasion to extend credit, except, in some instances, to the limited extent of the value of necessary samples. Their monetary responsibility can, in such cases, be accepted as altogether subordinate to their moral responsibility.

It is entirely a matter of agreement between Canadian manufacturers and their agents as to the basis of commission and allowances which are to be paid to oversea representatives. There is no fixed rule in this regard as it almost entirely depends upon the character of the goods to be sold.

English Interests Are Developing Iron in N.S.

From Our Own Correspondent.

SYDNEY.—English interests have taken hold of iron ore deposits on the western end of Bell Island, adjacent to Besco's Wabana areas, according to reports received here from Newfoundland. A Montreal engineering firm is doing the preliminary work, and the ore will be shipped to plants in England.

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In 1868, at the first annual meeting of shareholders of The Canadian Bank of Commerce, the Directors made the following announcement: "Your Directors have from the commencement acted upon the principle of confining the operations of the institution to a strictly legitimate banking business; and they cannot too strongly urge upon their successors a rigid adherence to this policy as being not only in the interest of the shareholders, but *ultimately most conducive to that of the country.*

The constant observance of this rule has been responsible for the Bank's transition from a purely provincial to a great national institution. Every step in its development—the establishment of new branches, new departments, and new facilities—the method of employing its funds, the principles of its operation, have all been governed by the policy inaugurated by the first directorate, that the Bank should function conservatively and should always keep in view the interests of the Canadian public.

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IRELAND—Northern Banking Co., Limited, Belfast and Branches. Agents in FRANCE: Lloyds and National Provincial Foreign Bank, Limited, Credit Lyonnais.

GRAIN MEN THINK ALBERTA WILL FAIL

Do Not See How International Conditions in Grain Can be Overlooked

From Our Own Correspondent

MONTREAL.—Grain men are inclined to feel that Alberta's ambitious scheme to ship wheat to Britain in exchange for free storage at British ports is doomed to failure. They point out what they feel is a weakness in the scheme; that if the wheat is sent to Britain on speculation then the Alberta wheat pool will have to take a chance on getting the advantage of a rise in the market. One local grain man points out that on every occasion when wheat has been shipped across the ocean without having first been definitely sold on this side the seller has failed to get the full benefit of any rise in prices. The British buyers of wheat realize that the wheat is there and they are going to get it and so they do not bid the limit to force early sale.

The only way to ship wheat and get the top price is to sell it on this side of the water and then ship it, says this grain man.

When such a grain exporter as James Carruthers has been unable to beat present conditions in grain exporting it is felt that individual groups of farmers can hardly make a dint in world conditions. Wheat is controlled internationally.

The experiment will be watched with interest however. If it reaches substantial proportions it might make it difficult to Canadian millers to buy wheat with the present expedition.

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News and Views for Investors

MARKETS STILL DRIFT WITHOUT DECIDED TREND

Trading in Narrow Margin—Some Interest in New York

There is a "dog days" lethargy about the market. Such movements as are indicated in the rather desultory trading show no definite trend and the whole market may be said to be drifting for the time being, evidently awaiting such developments as will indicate the future business prospects in a definite way.

Of 156 stocks on the Toronto and Montreal exchanges which were traded in during the week ending Tuesday there were 42 which showed some improvement and 35 which registered decline, while the prices for 79 showed no change. The best showing was made by the public utilities—the power companies—nine of which showed an advance while three showed losses and three were unchanged. In the case of the banks, tractions, textiles and general industrials the gains were more than the losses while the reverse was true with the paper, steel, and milling stocks. Following is a summary:

	Gains	Losses	Unch.	Total
Banks..	3	2	6	11
Pulp and papr.	4	5	4	13
Steel	3	5	9	17
Milling	3	4	5	12
Utilities . ..	9	3	3	15
Tractions . ..	5	4	6	15
Textiles	3	2	9	14
Industrial, etc.	12	10	37	59
	42	35	79	156

Some interest is being taken by the more speculative Canadian investors in the New York market. This is hardly a direct result of the cheap money available in Wall St., because ordinary investors are seldom influenced by the interest item in the account, but it is undoubtedly a reflection of the wider activity in the New York market which is itself a result of the influence of cheap money in advancing the price of bonds and encouraging big scale operations in stocks. American industrial bonds have been strong in sympathy with the strong market for government and municipal issues and this has to some extent helped the better issues in the Canadian market, but prices generally, while they have recovered somewhat recently, show little change as compared with the figures prevailing at the first of the present year.

The showing being made at the present time by the manufacturing industries of the United States indicates that capacity output is greater than requirements. The market by its decline in recent months evidently anticipated this development. Whether an adjustment can be successfully made to a profitable operating basis on this smaller output or whether public consumption will increase are factors to consider in regard to the future, with the cost of labor as an important element. However, the recent action of the market would seem to indicate that there is confidence that the various problems can be met. Regarding the prospects for a measure of trade improvement in the fall, Hayden, Stone & Co., says:

> The current advance in stock prices is regarded as forecasting a revival of business in the fall. This may well prove to be the case to a limited degree; business cannot continue indefinitely at its present low ebb. It will be observed that the decline in commodity prices the last few weeks has been much less rapid. While the re-stocking of low supplies on the distributors' shelves is under way we may well see a temporary up-turn in what is, in a broad way, probably a long-continued decline in the general price and wage scale. Anything of a boom nature is most unlikely. The war shortage in construction, railroad equipment and automobiles has been made up. We shall see only rather short-lived spurts. To our mind the one big factor in this market is cheap money. So long as this lasts we may expect a continuance of the present market activity with considerable inducement to purchase. On any indication that this period of cheap money is approaching an end, we believe that the upward tendency will be rather quickly brought to a halt.

Booth Fisheries Made Good Profits Last Year

CHICAGO.—Booth Fisheries Co. for fiscal year ended April 30, will show a net profit estimated at $300,000 after all deductions including interest charges. This is the first profit in any one year since 1919 and compares with deficit of $890,544 for 16 months ended April 28, 1923, and a deficit of $2,239,044 for 12 months ended Dec. 31, 1921. Funded debt April 28, 1923, totalled $3,535,000 and notes payable $6,083,818. There is $4,999,800 7 per cent. cumulative preferred which has not paid dividends since August, 1920, and 250,000 shares of no par common which has not paid dividends since April, 1919.

Textiles

Woollen Manufacturers Declare Plants Efficient

Taking exception to a cabled despatch from London which quotes the Yorkshire Observer and which refers to alleged statements made in England by his Majesty's Senior Trade Commissioner to Canada, George A. Dobbie, president of the Canadian Woollen Manufacturers' Association, has sent the following cable to the Department of Overseas Trade, London:

> "Canadian Press cables quote Yorkshire Observer as publishing that F. W. Field, H. M. Trade Commissioner to Canada, made public statements at Huddersfield to the effect that Canadian woollen manufacturers were asking adjustment or abolition of special selling privileges in Canada granted United Kingdom manufacturers in order to benefit ill-equipped mills in Canada. While we do not believe that Field made such statements, we ask as manufacturers within the British Empire that, if Field did make such statements, our unqualified denial of their truth be given equal publicity. If Field did not make statements that warranted Observer's interpretation, please see that Observer publises correction."

CANADIAN CONNECTICUT COTTON

The president of Canadian Connecticut Cotton Mills Limited, issues interim report to shareholders covering eight months of the company's year.

"Prices for raw materials have been particularly high. Prices for the finished product have been low in comparison with the price for raw materials and the demand for fabrics has been considerably less than for previous years, with the result that operations have been curtailed greatly, and, therefore, profits have been affected adversely.

"In reviewing the business for the eight months ended May 10, 1924, it is noted that operations resulted in a loss of $101,426, including depreciation. (Note—As shown below, dividends were also paid for three quarters, but are not deducted from the above). In connection with this loss, depreciation written off each month amounted to $14,488, or a total of $115,907 for the eight months. The net cash gain from operations, therefore, during the period under review has been $14,480.

"Since September 8, 1923, the net quick position of the company has been reduced to the extent of dividends paid and $45,000 used for the purchase of additional twisters required by changes in customers' specifications, less the $14,480 cash gain from operations. However, as shown on the balance sheet the quick assets exceed the current liabilities 9.41 to 1 on May 10, 1924, in comparison with 8.58 to 1 at the end of the last fiscal year."

TOOKE BROS.

A reflection of careful merchandising is the report of Tooke Bros., Limited, for the year ended May 31, says the Montreal Gazette. For in hardly any other manner could be explained this company's improved showing coming in a period, particularly the last quarter of the firm's fiscal year, of general unsettlement in Canadian business. Adverse features included budget changes, with their wide ramifications, a sales tax, which generally left the retailer up in the air to such an extent that he just sat tight and waited to see what would be next, and the low rate of sterling, which made possible a considerable amount of competition from England. Early this year the company felt the reflection of the budget changes, with sorting business disarranged, while placing business is almost entirely disrupted.

Ore receipts at the Trail Smelter of the Consolidated Mining & Smelting Co. for the period June 15, to June 21, totalled 10,269 tons, and for the year to date 223,463 tons.

INTERNATIONAL PAPER EARNINGS ARE GOOD

Year's Results Likely to be Very Satisfactory—Canada Getting Interested in Stocks

From Our Own Correspondent.

MONTREAL.—International Paper is opening up a couple of the mills it recently closed down, but several of the smaller newsprint mills will remain closed indefinitely.

There has been considerable activity in the shares in New York with a rising tendency noted. Expectations are that International will show an excellent report for the present year, despite decreased production of paper. Recent appointment of A. R. Graustein as president is regarded as a constructive step.

International Paper during six months ending June 30, had net earnings, after depreciation and charges, that exceeded $1,500,000, or full year's dividend on the slightly less than $25,000,000 6 per cent. preferred.

There is discussion in New York of a dividend on the common. This talk is perhaps premature, though it is likely that the new executive may seek to widen distribution of the stock in the United States and Canada.

Canadian investors are taking an interest in International now that the company is definitely committed to a policy of expansion in this country. The company intends to add two new newsprint machines in this country. No site has been chosen, though various localities have been looked over. Quebec City, Batiscan and Three Rivers are all discussed as possible locations for the new additions to the present producing capacity in Canada.

Quite possible nothing definite will be decided until Riordon properties come up for foreclosure sale about September 1, when, as has already been pointed out there is a possibility of buying in some of the Riordon properties as the basis for its new Canadian plants.

Mixed Conditions are Reported in Steel Trade

Reports of better buying of steel and iron, together with indications of further curtailment of manufacturing operations and falling prices in many lines, reach Canadian Machinery and indicate a mixed situation.

Evidences of brighter tone, such as the 12,000 ton rail order for Sydney, N.S., discount unfavorable factors and it is evident that those firms which are "scratching" diligently are securing a fair amount of business.

The Steel Co. of Canada continues to operate at approximately sixty per cent. of capacity, with all mills running. One furnace is working on basic iron while construction operations are being carried out on No. 2 stack. This concern appears to be in much better condition than the majority of similar plants in the country.

The Algoma Steel Corporation are operating on reduced schedule with one furnace in blast.

UNITED GRAIN GROWERS

With the proceeds of a $500,000 bond issue available as well as funds from other sources pretentious building operations will be undertaken by the United Grain Growers Co., Limited, in the west this summer.

All the way from 30 to 70 grain elevators form part of the company's program, the number depending upon whether or not a new lease is obtained, or arrangements for purchase made, of the elevator system owned by the Manitoba government. Provided the company does not purchase the Manitoba system it is expected that at least 30 elevators will be constructed in this province. The Saskatchewan and Alberta program will be carried out, it is stated, regardless of what arrangements are made in Manitoba.

The United Grain Growers Co., Ltd., is the present lessee of the provincial elevator system. Under the terms of the existing agreement they surrender possession on August 31 of this year. At this writing the company has not reached any decision as to what offer, if any, will be made for the government system. Should no arrangements be entered into with the provincial authorities it is stated the Manitoba construction program will begin at once. Sites in this province have already been chosen, the majority of these lying in the northern and western areas.

The government elevator system comprises 122 elevators, of which 95 are in operation at the present time.

INDUSTRIAL ALCOHOL

Canadian Industrial Alcohol, since its recent increase in dividend, has been among the active leaders and is selling at a price nearly three times that of a year ago, when it was traded in on the unlisted section. The stock is a $25 par value, and is now on an 8 per cent. basis, while there is at present a generally well founded belief about the Street that in addition there may be forthcoming a 2 per cent. bonus some time this year.

INTERNATIONAL PETROLEUM

The International Petroleum Co., has obtained a new concession from the Peruvian government totaling about 700,000 acres. The company is now producing about 20,000 barrels of high-grade crude daily from its producing properties in that country. The new concession adjoins the company's old properties, comprising about 400,000 acres and known as the La Breay Parinas Estate.

CANADIAN CARBONATE

Canadian Carbonate, Limited, having its head office in Montreal, and branch plants at Halifax, Toronto, Hamilton, Winnipeg, Calgary and Vancouver, announce the purchase from the United States Industrial Alcohol Company of New York, of the Blackburn patent for Canada.

Canadian Carbonate, Limited, have for some years, been the largest manufacturers of carbonic acid gas in the British Empire, and have extended their export business to the Orient and South America.

NEW ISSUE

$1,250,000
Ottawa-Montreal Power Company
Limited
6½% First Mortgage Sinking Fund Gold Bonds
Dated June 1st, 1924. Due June 1st, 1949.

Principal and semi-annual interest (1st June and December) payable at the Royal Bank of Canada, Montreal, Toronto, and Winnipeg, or at the holder's option at the Agency of the Royal Bank of Canada New York City. Coupon Bonds in denominations of $1,000, $500 and $100 with privilege of registration as to principal interchangeable with fully registered Bonds. Redeemable on any interest date at 105 and accrued interest on sixty days' notice.

TRUSTEE: Montreal Trust Company, Montreal.

CAPITALIZATION

	Authorized	Issued
First Mortgage 6½% Sinking Fund Gold Bonds (this issue)	$ 5,000,000	$ 1,250,000
7% Cumulative Preferred Stock	1,000,000	225,000
Common Stock Shares of no par value	25,000 shs.	15,000 shs.

This issue having been over-subscribed by investors, this advertisement appears as a matter of record only.

PRICE: 100 and accrued interest to yield 6½% carrying a bonus of 2½ shares common stock of no par value with each $1000 Bond

Full particulars may be had upon enquiry at any of our offices.

NESBITT, THOMSON & COMPANY
LIMITED
305-7 Bank of Hamilton Building, TORONTO
MONTREAL HAMILTON LONDON, Ont. WINNIPEG
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Unlisted Bond Trading Two Million in Six Months

From Our Own Correspondent

MONTREAL. — During the six months that the unlisted bond section of the Montreal Stock Exchange has been operating, bonds to a total of $2,230,800 have been traded in. Seventy-seven securities have been dealt in on the boards.

The amount is therefore about $350,000 a month which is small. The unlisted bond section of the exchange has not met with universal approval. In fact many Montreal brokers and bond merchants are distinctly hostile. One cause of trouble has been that securities have been dealt in and quoted on the exchange before the original issue has been thoroughly placed with the public—before being "digested" in bond parlance. Prices quoted have often been lower than offering prices to the public and naturally the disparity has interfered with the placing of some good investment offerings.

On the other hand proponents of the department declare that a wider market for unlisted bonds is provided and a truer indication of market values given.

UNLISTED BOND MOVEMENTS OF THE MONTH

Bonds	Issued	Due	P.C.	1924		Monthly Comparison June 1st to June 30th				Latest Quotation		Bonds Sold
				High	Low	Op'ng	High	Low	Close	Bid	Asked	
Abitibi Pulp...	$3,880,000	1940	6%	97	94½	95½	95½	..	95½	..	95¼	500
AlabamaT.L.-P.	13,668,900	1962	5	76⅛	68	..	..	..	..	76½	77½	....
Algoma Steel..	15,550,867	1962	5	38¼	26	..	..	..	..	33¼	34	....
Ames Holden..	2,481,960	1947	6	45	44½	..	..	..	..	..	42	....
Belding Paul...	749,953	1936	5	87¼	87⅛	..	..	..	..	86	..	....
Belgo Can.Paper	8,000,000	1943	6	96⅛	94½	95	95⅜	94⅞	95¼	94⅜	95⅛	25000
Brompton P....	1,750,000	1941	8	109½	107	108	108	..	108	108	110	200
Brompton P....	938,200	1939	6	..	..	..	..	..	..	..	..	....
Burns Co. P...	3,500,000	1943	6½	100	..	100	100	..	100	98	100	1000
Brand-Henders'n	698,000	1939	6	91½	..	..	..	..	..	..	91	....
Can. Steamship.	6,000,000	1942	7	96½	94	96	96¼	95	96¼	95½	96	4100
Can. Steamship.	15,000,000	1943	5	75⅛	75½	75½	75½	75½	75½	75	75⅛	10000
Can. L. & Pr...	6,500,000	1949	5	80¾	72¾	73⅛	80¾	73⅛	80½	79¼	80	29000
Chicoutimi P..	1,834,000	1943	6	72	62	..	..	..	..	..	..	....
Can. Car Scrip.	1,483,689	1927	6	..	..	..	..	..	..	..	..	....
Can. National..	50,000,000	1954	5	99½	98¼	98½	99	98¼	99	99	99⅛	39500
Can. N. Ry Inc.	24,140,174	1930	5	53	51	..	..	..	..	..	..	....
Can.Steel Foun.	3,650,000	1936	6	98½	98⅛	..	..	..	..	98¼	..	....
Can. Pac. Rly..	12,000,000	1934	5	98.85	..	98.85	98.85	..	98.85	98⅛	98⅜	24000
Cumberland Ry.	3,000,000	1940	5	75	..	..	..	..	..	..	..	....
Dom. Ir.& Steel.	7,071,266	1939	5	71¾	70	..	..	..	..	67¼	68¼	....
Davies Wm.Co.	2,500,000	1942	6	..	..	..	..	..	..	..	..	....
Dom.Pr. & Trs.	5,564,000	1932	5	..	..	..	..	..	..	91	..	....
Dom. Textile...	6,449,000	1949	6	103⅛	100½	101¼	101⅜	101¾	101⅜	..	102⅜	2500
East Koot. Pr...	2,000,000	1942	7	99¼	96	99	99¼	99	99¼	100½	..	6000
Fraser Co......	2,000,000	1941	8	106	104⅜	105	105	..	105	..	105½	500
Frontenac Brew	1,100,000	1951	6	87	84	85½	85½	..	85½	..	88	500
H. Smith Paper.	2,576,200	1941	7	99	94¾	94¾	96⅛	94¾	96⅛	96	96¼	66500
H. Smith Paper.	489,600	1934	6	..	..	..	..	..	..	95	..	....
Lake Sup. Paper	5,000,000	1941	6	105	104⅛	..	..	..	..	105	..	....
Laurentide Pow.	7,500,000	1946	5	97¾	95⅜	..	..	..	..	97½	98½	....
Laurentian Pow.	1,400,000	1936	6	96	..	..	..	..	..	96	96⅛	....
Maple Leaf Mill	2,000,000	1943	6½	101	..	..	..	..	..	100	..	....
Montreal L.H.P.	2,910,000	1933	5	98⅛	96½	..	..	..	..	..	..	....
Manitoba Pow..	7,500,000	1941	7	100⅜	97½	..	..	..	..	98¼	98¾	....
Mattagami P.deb	3,000,000	1949	7	26	20¼	23½	26	23½	26	25	..	9600
Mont.Tram.Pr..	7,300,000	1924	6½	102	101⅜	..	..	..	..	..	..	....
Mont.Tram.Pr..	8,000,000	1929	6	99½	97	99	99½	98¾	99½	99⅜	100	51400
Mont. Steel....	750,000	1940	6	99¾	99⅜	..	..	..	..	99	..	....
Mont. Water...	979,935	1932	5	81	..	..	..	..	..	..	..	....
Montreal Pub.S.	3,152,500	1942	5	88⅜	76½	82¼	88⅜	82¼	88½	87½	88	100000
Nor. Ont. L....	5,006,500	1931	6	94½	..	94½	94½	..	94½	93⅞	94⅜	5000
N.S. Steel.....	4,978,500	Deb.	6	75½	71	..	..	..	..	..	..	....
N.S. Tram.....	1,500,000	1952	7	95	..	..	..	..	..	..	..	....
Ont. Pulp.....	1,500,000	1931	6	106	104	106	106	..	106	105	..	200
Ottawa Gas Co.	1,000,000	1939	6	100	99½	99½	100	99½	100	..	..	3000
Price Bros.....	10,000,000	1943	6	100	98⅜	98¾	99	98⅜	99	98¾	99¼	8000
Paton Mfg. Co..	600,000	1953	6	95	90	94½	94½	..	94½	91	93	500
Provincial Paper	1,105,000	1940	6	100	..	..	..	..	..	..	..	....
Porto Rico Rly..	£265,000	1962	5	68	..	..	..	..	..	61½	64	....
Prov.of Ontario.	40,000,000	1948	5	98½	98⅛	..	..	..	..	98¾	99⅜	....
Quebec Power..	3,540,000	1953	6	96½	94⅛	94⅜	96½	94⅜	96½	97¾	..	17200
Que.Jacq.Cartier	849,000	1931	5	86⅜	85½	..	..	..	..	..	..	....
Sag. Pulp & Pap	5,400,000	1930	6½	81	80	..	..	..	..	..	..	....
Shaw. Cotton..	968,000	1949	6	77	..	..	..	..	..	..	78	....
Shaw.W. & P...	3,808,500	1934	5	102¾	..	..	..	..	..	101	..	....
Shaw.W. & P...	6,000,000	1950	5½	101	..	..	..	..	..	102	..	....
Sou. Can. Power	4,637,500	1948	6	101½	99	101½	101½	101	101	100⅜	..	5000
Spanish River P.	3,000,000	1941	8	107⅛	105½	105½	106⅛	105½	106	106	106⅜	18000
St. Law.Sugar..	2,000,000	1932	6	89	..	..	..	..	..	89	..	....
St. Maur.Val.Co.	1,415,200	1952	6	76½	75	76½	76½	..	76½	..	..	2000
St.Maur. Power	9,026,600	1953	6½	106⅜	103	106⅜	106⅜	106	106⅜	106	106¾	9600
Toronto Paper.	750,000	1942	6	99½	..	..	..	..	..	..	..	....
Wabasso Cotton	750,000	1942	7	98¼	95	95	96	95	96	..	94½	3500
Windsor Hotel.	2,500,000	1943	6½	101	100½	..	..	..	..	100	..	....
West Koot. Pow.	1,750,000	1943	6	100½	..	100½	100½	..	100½	99⅜	..	1000
Western Power.	5,000,000	1949	5	87¼	..	..	..	..	..	89	..	....
Western Power.	500,000	1926	7	99¼	97¾	99⅛	99¼	99⅛	99¼	98	..	650
West.Que.Power	250,000	1931	6½	73	72¾	..	..	..	..	..	..	....
Winnipeg Elec..	3,250,000	1943	6	92	91½	92	92	..	92	..	..	15000

UNLISTED SECURITIES

Industrials, Utilities, Etc.—

	Bid	Asked
Can. Assoc. Goldfields..........	.04	.07
Can. Westinghouse, pref........	133	135½
Can. Marconi..................	70	85
Cockshutt Plow, pref...........	26	29
Collingwood Shipbuilding, com...	50	60
Cosgrave......................	5¼	6
Dom. Power, pref...............	92	95
Dom. Power, com................	38	42
Dunlop Tire 7% pref............	80	84
Durant Motors (A)..............	4	5
Durant Motors (B)..............	5	6
Durant Motors (C)..............	6	7
Dom. Sewer Pipe, com...........	27	30
English Elec., com.............	4	6
English Elec., pref............	43	55
Famous Players, pref. 50% com	71	73
Gunns, Ltd., pref..............	32	36
Hamilton Pantages, pref........	43	46
Hamilton Pantages, com.........	1	2
King Ed. Cons., pref...........	57	60
King Ed. Cons., com............	33	36
K. & S. Tire, com..............	..	50
K. & S. Tire, pref.............	10	14
Loew's Buffalo, com............	1	1½
Loew's Hamilton, pref..........	44	46
Loew's London, pref............	5	5¼
Loew's Ottawa, pref............	20	22
Loew's Toronto, pref...........	63	67
Loblaw Groc. 2nd pref..........	120	150
Massey-Harris..................	25	30
Mount Royal Hotel, com.........	7¾	8¼
Mount Royal Hotel, pref........	43¾	45
North Mexico Power, com........	14½	..
Robt. Simpson, pref. 6%........	89½	91½
Western Grocers, pref..........	28	31½

Loans and Insurance—

	Bid	Asked
Brit. Am. Assur................	6	7
Capital Life...................	20	..
Can. Mortgage..................	65	..
Continental Life...............	25	29
Crown Life.....................	98	..
Excelsior Life.................	33	..
Great West Life................	230	..
London Loan....................	44	48
Manufacturers Life.............	55	58
Mercantile Trust...............	100	..
Monarch Life, 10% pd...........	13½	..
National Life $25 pd...........	50	..
Ontario Equitable..............	..	17
Peoples Loan...................	70	..
Sovereign Life.................	17	21
Sun Life 50% pd................	170	..
Sun Life 35% pd................	140	..
Sterling Bank..................	89	92
Trusts & Guar..................	67	70

SERIOUS LOSSES ARE PREVENTED BY TIMELY RAIN

(Continued from page 1)

case throughout the West the roots were well formed and penetrated deeply into the sub-soil. Owing to the cool dry weather the hay crop is rather poor in most sections. Taking the West as a whole, the wheat is short. Several districts report considerable damage from the cut-worms and other grubs, but there has been no damage from hail or rust so far. Only a limited amount of harm has been caused by the drought.

Ontario and Quebec

Throughout Ontario and Quebec the crops are still about two weeks late, but are coming along quite satisfactorily. In Ontario the acreage of spring grains is smaller than last year, but the fall wheat is headed out and is making satisfactory progress. Timothy hay is an average crop while clover and alfalfa are above normal, and the grass pasturage is reported as excellent. The fruit crop is from fair to good, most fruits being average or better with the exception of peaches which are below normal. In the province of Quebec abundant crops are forecast. Notwithstanding the early delay and the cool and backward growing weather, the yield will probably be as good as that of 1920. In that year the value of the crops was $445,000,000, but prices of farm products were then exceedingly high. Taking into account the price decline this year's yield should easily exceed $200,000,000 in value. Cut-worms and other insects have made their appearance in many sections south of Montreal and in the Eastern Townships. An unusually good pasturage is improving the volume of milk and butter and the livestock outlook is favorable.

In The Maritimes

The Maritime Provinces also have suffered from lack of sufficient moisture. The hay crop in New Brunswick is light, but grass pasture is quite good and the stock is in satisfactory condition; grain and root crops are somewhat below normal, but a large yield of potatoes is expected. Nova Scotia and Prince Edward Island have been blessed with sufficient moisture, and all crops are in fair condition.

Taking the country as a whole, it is probable, as suggested above, that the total yield of the grain crops will be somewhat below that of last year, but in consideration of the increase in the prices of practically all grains, it is probable that this year's net income will be greater than that of last year.

UNLISTED SECURITIES
CORPORATION · LIMITED ·
· AD · 6381 ·
UNLISTED SECURITIES
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When Remitting
BUY
CANADIAN NATIONAL
EXPRESS
MONEY ORDERS

Public Utility Stocks

MANY BIG POWER PROJECTS ARE NOW NEARLY COMPLETE

All Over Canada Big Projects Are Under Way

IN WATER power developments under way or in active prospect in Canada, Quebec leads with a very extensive program, included in which are such outstanding developments as those of the Quebec Development Company, on the Saguenay river, the St. Maurice Power Company, on the river of the same name, and numerous others totalling more than 550,000 h.p. Ontario also has an extensive program ahead, including a number of developments and additions for the Ontario Hydro-Electric Power Commission, a development for the Hollinger Consolidated Gold Mines, and other lesser works comprising a total of more than 300,000 h.p. The other provinces are also well represented, with activities under way in Manitoba, British Columbia, and Nova Scotia totalling 80,000 h.p.

An analysis of the development which took place during 1923 discloses the fact that some 255,000 h.p. was added, thus bringing the total waterpower installation in Canada to 3,228,000 h.p. A more significant feature, however, is the large number of projects actually in progress of construction at the present time, or actively in prospect. These projects when brought to completion within the next two years will add to Canada's total more than 900,000 h.p.

Among the provinces, Ontario led in installation during the past year, with 146,000 h.p. This was chiefly comprised in additions to the Queenston and Ontario power plants of the Ontario Hydro-Electric Power Commission and in developments connected with the mining industry in northern Ontario. Quebec was second, with some 44,000 h.p., comprised chiefly in additions to the Cedars plant of the Montreal Light, Heat and Power Consolidated, and in new plants for Price Bros. and Company at Chicoutimi and the Lower St. Lawrence Power Company near Metis. In Manitoba 28,000 h.p. were added by the Manitoba Power Company, and British Columbia followed with 26,500 h.p. accounted for by a new plant of the East Kootenay Power Company and additions to the plants of the Granby Consolidated Mining, Smelting and Power Company and the Pacific Mills, Limited. Nova Scotia increased its total by 7,800 h.p. in new developments for the Nova Scotia Power Commission and the Avon River Power Company, and in New Brunswick 2,500 h.p. were added to the Maine and New Brunswick Power Company's plant.

MANITOBA POWER

At the annual meeting of shareholders of the Manitoba Power Company, A. J. Mitchell, of Toronto, was elected a director and the following were re-elected: Sir Augustus Nanton, A. W. McLimont, G. W. Allen, W. R. Bawlf, W. J. Bulman, A. J. Nesbitt, S. L. Fuller, New York, and Julian C. Smith, Montreal.

OTTAWA ELECTRIC RAILWAY

A new agreement as to wages and working conditions between the company and its employees has been signed, to be in force until May 1, 1926. It extends the 1922 agreement with a few changes.

MONTREAL POWER

Montreal Light Heat and Power Consolidated will be distributing over 225,000 h.p. to the City of Montreal when the Quebec and New England Hydro-Electric Corporation properties are joined with its present system under the terms of the recent merger. Less than twenty years ago only 32,000 h.p. was supplied. The number of customers using electric light service has grown from 12,000 in 1905 to 150,000 at the present time. With the new services added the total will be over 175,000.

Public Utility Earnings

NORTHERN CANADA POWER

6 Mos. Ending June

	1924	1923	Change
Gross earn.	$445,851	$293,443	+$152,408

PORTO RICO RAILWAYS

For May:	1923	1924	Increase
Gross	$111,358	$118,770	$7,411
Net	31,637	39,190	7,553
For Five Months:			
Gross	$552,342	$603,805	$51,460
Net	186,943	228,927	41,983

CALGARY POWER COMPANY

1924	Jan.	Feb.	March
Gross	$30,464	$24,016	$25,177
Net	25,424	18,323	19,844

Aggregate net earnings for the first three months of 1924 amount to $63,592, compared with $50,447 for the corresponding period in 1923, an increase of $13,144.

BRAZILIAN TRACTION

May, 1924	1924 $	1923 $	Increase $
Gross earn.	2,334,169	2,082,039	252,130
Oper. exp.	858,129	749,664	108,465
Net earn.	1,476,040	1,332,375	143,665
Aggr. gross frm. Jan. 1	11,143,001	10,135,205	1,007,796
Aggr. net frm. Jan. 1	6,959,055	6,416,097	542,958

Railway Earnings

CANADIAN PACIFIC RAILWAY

Week end.	1924	1923	Change
June 30	$4,669,000	$4,682,000	—$ 13,000

CANADIAN NATIONAL RAILWAYS

Week end.	1924	1923	Change
June 30	$6,231,961	$6,367,889	—$135,928
Jan 1 to June 30	114,862,558	115,913,120	—1,050,562

Harmony Restored in Winnipeg Electric

From Our Own Correspondent.

MONTREAL.—Complete harmony of viewpoint between opposing factions in Winnipeg Electric is what can be taken from the selection of a new and larger board. The Winnipeg group under Sir Augustus Nanton have given up none of their authority. The Eastern group of shareholders, for whom Nesbitt, Thomson and Company have been fighting have now more eastern men on the board. A. J. Mitchell and R. J. Fleming of Toronto, the new directors, are understood to be acceptable all around.

Increase in the board of directors of the Winnipeg Electric Railway from nine to twelve members approved at the annual meeting, provided for greater representation from Eastern Canada, and A. J. Mitchell and R. J. Fleming of Toronto, were elected to the board. G. W. Allen, K.C., and G. F. Galt, of Winnipeg, also were elected as new members, and there were re-elected Sir Augustus Nanton, A. M. McLimont, G. V. Hastings, A. J. Nesbitt, of Montreal, Hugh Sutherland, W. J. Bulman, D. N. Finnie and W. R. Bawlf.

Wm. Harvey, representing the Standard Trust Company, asked when dividends might be expected on common stock. Sir Augustus said that was a matter he thought should be left to the new board to determine. It had been the desire of the old board to pay dividends but it was not thought wise that the property should be allowed to run down. The property now was in good condition and speaking personally he thought that when general conditions improved the property would be in good shape.

New Power Issue is Over-Subscribed

From Our Own Correspondent.

MONTREAL.—Excellent success fell to the lot of the bond issue of Ottawa-Montreal Power Company, offered a week ago, and the issue was well over-subscribed this week. This is the bond issue of $1,250,000 offered by Nesbitt, Thomson and Company in connection with the financing of the merger of the Hawkesbury Electric Light and Power Company and the Western Quebec Power Company.

The physical assets of the enlarged organization consist of three hydro-electric plants aggregating over 9,000 horse power, complete with all substations. All the plants are located in the Province of Quebec, two on the Rouge River and the third on the North River. The distribution system consists of about 90 miles of high tension lines, all maintained in a high degree of fitness to most effectively serve the district. In addition to its own plant the company has a favorable long-term contract with the Montreal Light, Heat and Power Cons.

The company now serves an area of approximately 850 square miles and a population of about 100,000. At the present time 35 municipalities are supplied with light and power under franchises which are in most cases exclusive. The district is a prosperous one and the demand for power is growing very rapidly as many communities are not at the present time adequately supplied.

MONTREAL TRAMWAYS

For the year ended June 30, last, the Montreal Tramways caried over 200,000,000 passengers. At the same time—during the fiscal year that is—the company increased its car mileage by nearly a million miles and added to its service in a number of other ways. The actual number of passengers carried was 200,000,011 as campared with 192,930,604 for the previous year, while the mileage increased from 22,252,538 to 23,238,925, which makes it one of the largest systems in the world as well as one of the most successful from every point of view. There has been a good deal of double-tracking and other means of speeding up the service and increasing its capacity, frequency and harmony.

Negotiations regarding a new wage schedule, which had been going on between the company and its platform employees since the end of May, were completed when the men voted unanimously in favor of accepting the company's offer of a general increase, subject to the agreement being made to run for three years.

BRITISH COLUMBIA ELECTRIC

In connection with the company's plans for the extension of its Alouette-Slave Lake power plant, four contracts have been let, and work is being done on all of them. The first contract, let to Montizambert and Rolston, was for the clearing of 10½ miles of right of way, 100 ft. wide, and was reported completed on June 1. The second contract is for the construction of 4 miles of railway, let to Stewart and Barber, as mentioned in Canadian Railway and Marine World for June, pg. 300. The line is expected to be completed early in July. The third contract, let to Pacific Engineers Ltd., is for blasting out the holes for the distribution poles, and is expected to be completed early in July. The fourth contract, let to Olof Oleson, is for boring the Alouette-Slave Lake tunnel, etc., and involves 3,424 ft. of tunnel, 14-14 ft.; 4,500 cu. yd. of rock excavation in portals, shafts and surge chambers; 120 ft. of conduit 8 x 10 ft.; and the putting in of 1,000 cu. yd. of concrete, in which 120,000 lb. of reinforcing steel will be used.

DETROIT UNITED RAILWAY

Detroit United Railway employees, through their union, renewed last year's wage and working agreement of 61 cents an hour for beginners, 64 cents after three months and 66 cents after one year, with 5 cents an hour extra for operators of one man cars. The Detroit Street Railway's scale is 62 cents for first six months, 66 cents for second six months and 70 cents for the first year. Recent wage demands called for increase of 10 cents an hour in each classification.

Recent sales of Detroit United common at 32 show some improvement over the low of 30⅛ for June, which was the bottom of a downward movement from a high for the year of 72½ about the middle of January.

From a source in close touch with the company, it is learned that the directors feel that the situation is shaping up well, and the present plans include the likelihood of Sir Thomas Tait becoming active vice-president, contingent, of course, upon Sir Thomas accepting the position.

STOCK MOVEMENTS OF THE WEEK

WEEK ENDING JULY 8

	Div. Rate	Yield July 7	High for week	Low for week	Close July 8	Close June 30	Sales for week	Range 1924 High	Range 1924 Low
Banks—									
Commerce	12	6.66	180¼	180	180	180	115	188	178
Dominion	12	6.78	177	177	177	177	27	187	177
Hochelaga	10	6.92	144½	144½	144½	144½	27	159½	143
Imperial	12	7.01	171⅛	170	171	170	78	179	169
Molsons	12	8.10	148	147	148	147⅞	99	159½	147
Montreal	12	5.00	240	238	240	240	136	248	230
Nova Scotia	16	6.36	250½	250	250	251	62	260	248
Royal	12	5.58	216	215	215	215½	42	218	211
Standard	12	7.55	158¾	158¾	158¾	158¾	31	168	158½
Toronto	12	6.97	170	170	170	170	204	179	169
Union	8	7.72	103½	103	103½	103	33	109¼	100
Paper—									
Abitibi, com.	4.00	6.98	58¼	56½	57¼	55½	995	69	54
Do. pref.	7	7.05	99¼	99¼	99¼	98¾	10	103½	98¾
Brompton Pulp	..	....	30½	29	29¼	30	670	43	29
Laurentide	6	7.01	87	85	85	85½	112	98½	84½
Price Bros.	2	4.79	41⅛	41⅛	41⅛	41	200	45	40
Prov. Paper, com.	6	7.05	..	..	..	..	..	100	83
Do. pref.	7	7.77	..	..	..	..	..	97½	90
Smith, Howard, com.	4	9.30	44	40¼	40¼	45	115	75	40¼
Do. pref.	8	8.79	91	91	91	92	14	100	90
Spanish River, com.	7	6.66	106¼	104⅛	104½	107	906	114¾	96
Do. pref.	7	6.30	112¾	111	111	111¼	235	119½	100¼
St. Maurice Paper	6	6.81	..	..	..	..	..	113¼	83
Wayagamack	..	....	..	..	..	..	..	45	32
Steel and Steel Industries—									
B. E. Steel, com.	..	....	2¾	2¾	2¾	2¾	190	6	2½
Do. 1st pref.	..	....	..	..	..	..	..	57½	35
Do. 2nd pref.	..	....	9½	8⅛	8⅛	9	570	17	8
Can. Car & Foundry, com.	..	....	47	46¼	47	46½	180	50	36½
Do. pref.	7+1¾	8.14	86⅜	86½	86½	86½	317	97	84½
Can. Foundries, com.	..	....	..	..	..	..	..	31	19½
Do. pref.	..	....	..	..	..	..	..	45	45
Can. Locomotive, com.	4	6.01	..	..	..	..	..	67	65
Do. pref.	7	7.95	..	..	..	..	..	92½	85
Dominion Coal	..	....	..	..	..	..	..	80	52
Dominion Iron, pref.	..	....	31	31	31	37½	35	57	31
Dominion Radiator	7	7.40	..	..	..	..	..	95	94
Dominion Bridge	4	6.15	..	..	..	..	..	80	60
Dom. Steel Corp., pref.	..	....	43½	43½	43½	45	5	73	40
Ontario Steel, com.	4	9.75	..	..	..	..	..	45½	40½
Do. pref.	7	8.14	..	..	..	..	..	93	86
Canada Iron, com.	..	....	..	..	..	..	..	6	4¾
Do. pref.	..	....	..	..	..	..	..	28	25¼
Steel of Canada, com.	7	9.72	73½	71⅛	72	73	683	83	69½
Do. pref.	7	6.96	100½	100	100½	100⅜	12	105½	99½
Milling—									
Canada Bread, com.	4	5.47	73½	73	73	73½	88	74¾	63
Do. pref.	7	7.00	100	99½	100	98	35	100	95
Inter. Milling, pref.	7	7.48	93⅜	93⅜	93⅜	93½	2	96½	93
Lake of Woods, com.	12	6.78	177	177	177	175	15	180	167
Do. pref.	7	5.97	..	..	..	..	..	120	115½
Maple Leaf, com.	..	....	62	62	62	62	11	69	59
Do. pref.	7	7.60	92	90¼	91	91	33	95⅜	87
Ogilvie Flour, com.	12	3.87	310	305	310	305	20	350	304
Do. pref.	7	5.92	..	..	..	..	..	120¼	116
Shredded Wheat, com.	8+1	6.61	136	136	136	137½	5	138	137½
St. Law. Flour, com.	6	8.63	70	69½	69½	70	220	73	66
Do. pref.	7	7.77	..	..	..	..	..	91½	89
West. Can. Flour	8	8.08	..	..	..	..	..	105	98
Utilities—									
Bell Telephone	8	6.13	130¼	130	130⅜	131	379	132⅜	125
Consumers Gas	10	6.13	163	162	163	162	36	166½	159
Dom. Telegraph	6	6.93	..	..	..	..	..	44½	43
Kaministiquia	8	7.76	103⅜	103	103	104	50	113½	103
Mackay, com.	7	6.08	115	113¼	115	113	140	120¼	110¼
Do. pref.	4	6.03	67	66	66⅜	66	244	71½	65
Mexican Light, com.	..	....	..	..	..	..	..	20	18
Montreal L. H. & Pr. Cons.	7	4.11	173	170¼	172	171	2015	172	140⅜
Montreal Telegraph	8	6.40	49¼	49¼	49¼	49¼	20	52½	48
Ottawa L. H. & Pr.	6	7.31	..	..	..	..	..	86	81
Quebec Power, com.	..	....	75	75	75	72	105	76	64
Do. pref.	7	7.27	96½	96½	96½	96¼	30	96½	90
Shawinigan	7	5.31	131¼	131	130½	130½	54	135½	118½
Transportation—									
Canadian Pacific Rly.	10	6.64	151½	149	151½	149½	370	154	147½
Canada Steamships, com.	..	....	11½	11½	11½	12	10	16	11
Do. pref.	..	....	49	47½	47½	48½	293	52	41½
Tractions—									
Barcelona	..	....	16	15½	15½	18¼	20	20	12⅜
Brazilian	4	7.84	52	49¼	49¼	52⅛	5205	53⅜	41¼
Detroit Un. Rly.	..	....	32½	31	31	30½	695	72½	30
Duluth-Superior	..	....	24½	24	24	25	41	35	19½
Illinois Traction, com.	2	1.99	..	..	..	..	..	103	60
Do. pref.	6	6.50	93½	93½	93⅛	92¾	25	93½	87
Montreal Trams.	10	5.95	..	..	..	..	..	170	148
Porto Rico Rlys, com.	..	....	28	26	26	26	180	28	17
Do. pref.	7	9.45	74	73	74	70½	29	75	66
Quebec Rly.	..	....	18	18	18	17½	8	18	14½
Toronto Railway	..	....	98½	91¼	98	97¼	1040	100¼	80
Twin City, com.	4	8.20	49	48	48	49	532	69	48
Winnipeg Elec., com.	..	....	25	25	25	25	50	30	24
Do. pref.	7	9.33	75	75	75	75	42	85	74
Textiles—									
Can. Conn. Cotton, pref.	8	....	56	56	56	55	5	80	53¼
Can. Converters	7	9.33	..	..	..	..	..	90	70
Can. Cottons, com.	8	8.24	97	97	97	98	35	111	85½
Do. pref.	6	6.85	87½	87½	87½	86½	5	91	86½
Can. Woollens, com.	..	....	..	..	..	..	..	7	6
Do. pref.	..	....	..	..	..	..	..	41½	35
Dom. Textile, com.	4.00	7.14	56	55	57	56¼	109	66	54
Do. pref.	7	6.42	109	109	109	108	19	109½	104¼
Monarch Knitting, com.	..	....	..	..	..	..	..	25	25
Do. pref.	7	10.29	..	..	..	..	..	82	65
Montreal Cotton, com.	6	6.12	..	..	..	..	..	100	98
Do. pref.	7	6.66	..	..	..	..	..	107	104
Penmans, com.	8	5.51	146	140	146	146	93	165	134
Do. pref.	6	6.29	..	..	..	..	..	97	92
Wabasso Cotton	4.00	6.89	..	..	..	..	..	72	58
General Industrials—									
Amer. Salesbook, com.	5	....	..	..	..	..	..	47	38½
Do. pref.	7	8.14	86	85	86	85	38	95	86¼
Asbestos, com.	..	....	..	..	..	..	..	35	19
Do. pref.	6	10.00	60	60	60	60	25	62	52
Atlantic Sugar, com.	..	....	13	12	12	13	100	21¼	13
Do. pref.	..	....	34	32½	32½	35½	22	51	32½
Bird & Son, pref.	7	8.14	..	..	..	..	..	89	86
B.C. Fishing	..	....	..	..	..	..	..	15¾	8
Burt, F. N., com.	10	7.84	..	..	..	..	..	137⅞	125
Do. pref.	7	5.14	..	..	..	..	..	136	136
Canada Cement, com.	6	7.03	87¾	85¼	85¾	87¾	46	93	83½
Do. pref.	7	6.73	105½	103½	104	105	116	108	102¼
Can. Gen. Electric, com.	6	5.35	..	..	..	..	..	58½	52½
Do. pref.	7	6.73	52¼	52	52	52⅜	216	54	51⅜
Can. Indust. Alcohol	10	....	31⅜	30⅜	31½	31½	4159	32¼	26
Canadian Salt	8	7.14	112	112	112	112	450	115½	109
Carr. Factories, com.	..	....	..	..	..	..	..	2⅛	¾
Do. pref.	..	....	..	..	..	..	..	17	15
City Dairy, com.	3	....	55	51½	55	51	325	51	40¾
Do. pref.	7	6.36	..	..	..	..	..	110	104
Crows Nest Coal	6	13.04	..	..	..	..	..	51⅜	46
Cuban Can. Sugar, com.	..	....	6	6	6	6¼	70	13	6
Do. pref.	..	....	34	33	33	33½	165	54	33
Dom. Canners, com.	..	....	31⅞	27½	31⅞	26½	250	35⅜	20¾
Do. pref.	7	8.09	86½	86½	86½	86	15	90	82
Dominion Glass, com	7	6.60	106	105½	106	105¼	45	110	102½
Do. pref.	7	6.60	106	106	106	105¼	13	107	103
Dominion Stores, com.	1.00	....	..	..	..	..	..	30	24½
Do. pref.	8	9.19	..	..	..	..	..	90	81
Davies, Wm. (A)	..	....	..	..	..	..	..	20	15
Eastern Theatres, com.	..	....	14⅜	14⅜	14⅜	14½	20	14¾	12
Do. pref.	7	10.29	..	..	..	..	..	70	67
Ford Motor	10	....	..	..	..	..	..	485	465
Goodwins, com.	..	....	..	..	..	..	..	48½	20
Do. pref.	7+40¼	....	..	..	..	..	..	95	69½
Goodyear Tire, pref.	7	9.52	73½	71½	71½	72	121	81¾	71
Holt, Renfrew, pref.	7	13.20	..	..	..	..	..	66	52
Frontenac Brew., com.	..	....	..	..	..	..	..	70	60
Do. pref.	7	7.75	90¼	90¼	90¼	90¼	1	122	90
Interprov. Brick, com.	6	9.09	..	..	..	..	..	66½	66
King Edward Hotel	..	....	..	..	..	..	..	21	21
Lyall Construction	..	....	16	10½	10⅜	10½	20	21	10⅜
Macdonald, A.	..	....	..	..	..	..	..	5	4
National Brew., com.	4.00	7.76	51¼	51	51¾	51½	659	56¾	48½
Do. pref.	7	7.21	..	..	..	..	..	100	95
Pacific Burt, com.	6	6.15	..	..	..	..	..	101	97
Do. pref.	7	7.00	..	..	..	..	..	106	100
Port Hope Sanitary, com	..	....	..	..	..	..	..	50½	49
Do. pref.	7	7.77	..	..	..	..	..	90	90
Rogers, Wm. A., com.	..	....	..	..	..	..	..	70	45
Do. pref.	7+1¾	7.77	90	90	90	88½	2	100	86
Russell Motor, com.	..	....	17½	17½	17½	17½	5	18	17½
Do. pref.	7	14.00	..	..	..	..	..	56	48
Sherwin Williams, com.	6	6.00	..	..	..	..	..	110	100
Do. pref.	7	6.84	102¼	102	102¼	99	36	103	98½
Sterling Coal	4	9.87	..	..	..	..	..	44	40
Tooke Bros., pref.	..	....	40	38	40	40	50	40	38
Tuckett Tobacco, com.	4	6.89	58	58	58	60	10	64½	57
Do. pref.	7	7.21	95	95	95	97	5	97	92½
Woods Manufacturing, com.	..	....	..	..	..	..	..	35	25
Do. pref.	7	11.11	..	..	..	..	..	67	63
Trust and Loan—									
Canada Landed	10	6.36	79	78½	78½	78¾	12	86	78¾
Can. Permanent	12	6.59	182	181½	182	182	42	187	179
Colonial Invest.	6	....	..	..	..	..	..	7	4¾
Hamilton Prov.	10	6.84	..	..	..	..	..	146	141
Huron & Erie	7	5.71	122½	122½	122½	122½	5	125	120
Landed Banking	9	6.52	..	..	..	..	..	148	138
Montreal Loan	12	6.48	..	..	..	..	..	46½	46¾
National Trust	12	5.66	..	..	..	..	..	215	210
Real Estate Loan	7	8.23	..	..	..	..	..	89	85
Toronto Gen. Trusts	12	5.81	..	..	..	..	..	210	202
Toronto Mortgage	10	5.86	..	..	..	..	..	85¼	81½
Union Trust	7	8.23	..	..	..	..	..	85	84

CLAUSE AND EFFECT!

An Owner who puts his faith in contract clauses instead of in known ability must expect to suffer the consequences of assuming that talent can be regulated by phrases.

THOMPSON-STARRETT
Company, Limited
Building Construction

Turning Point in Life of E. H. Gary

An interview with the chairman of the United States Steel Corporation.

"I have always entertained a feeling of pity for the man who sneers at religious teaching. It seems to me that such a man has failed to achieve a life; that there is something important which he has failed to realize.

"Almost everything we do in this world is based on a kind of faith, whether we are actually conscious of it or not.

"Constantly we have examples given us of the ancient truth that faith does literally move mountains.

"Experience of one kind or another, which may in later years prove constructive or destructive in the making or marring of one's life, represents largely the experience gained in one's youth.

"Fundamental truths instilled in the minds of the young become a part of their lives. No one should belittle the value of religious teaching.

"We must have some code of ethics to guide us, otherwise we put ourselves on a par with the barbarian upon whom we frown.

"Many a man's turning point in life is the direct result of this teaching, or the lack of it. I am glad to say it influenced my early life, and more than once this early training which I received in the country church has aided me materially in successive turning points in my career."

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Canadian National Exhibition
Toronto, Canada: Aug. 23rd to Sept. 6th inclusive 1924

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August 15th issue

THE NATIONAL MOTOR SHOW NUMBER

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Brings thousands to your exhibit; carries your exhibit to thousands who cannot attend the Show.

Last year the August 15th Motor Show Number of MacLean's carried the biggest showing of Motor Car and Accessory advertising ever published in a single issue of any magazine in Canada.

August 15th Issue 1924
Promises to be Still Better

Your Advertisement Should be in it. Arrange for it Now.

Iron, Steel and Products

BESCO'S PROFITS FOR 1924 LIKELY TO SHOW DECLINE

Business Has Not Been Good Except in Ore Sales

From Our Own Correspondent.

MONTREAL.—With half of its year in the background, British Empire Steel Corporation has little prospect of beating or even equalling its profits showing for 1923. The year may close with the company's cash position a little stronger, for no dividends have been paid since the first quarter of the year. But steel and coal business have both fallen off tremendously and the increase in ore business has not been sufficient to keep up Besco's profits.

Besco has been getting excellent orders for ore from its Newfoundland property during the past year. Orders have come in from Germany. For some time the French occupation of the Ruhr had interfered with this business, but it is now possible to ship ore without credit danger and substantial orders have been accepted. Other orders have come in from England, and Besco has on its books demands for all the ore that it cares to handle this year.

Gets Down Iron Costs

While the ore in itself does not bring a very substantial profit to Besco there is an indirect and very important advantage in these ore sales. It will readily be understood that the larger the output of ore the lower the overhead charges on each ton produced. When the Wabana ore properties are fairly busy the cost of ore production is reduced and this reduction applies to all the ore used by Besco in its steel and iron mills at Sydney. Reducing costs at the very start enables Besco to get down its pig iron costs and to effect savings all along the line, savings that are reflected in every finished product. This, of course, makes it easier to compete against other steel mills, although Besco has somewhat further to go before it can compete in a big way in world trade in steel products.

But while there has been considerable activity in ore sales, the sales of steel and coal have not been so satisfactory. Most of the steel mills are suffering from business depression and the continuous flow of orders that must trickle into any steel mill to keep the plant going have not come to hand. It has made it necessary for Besco to stop work and the plant will likely shut down on July 19, whether rail orders come or not. And it may be taken as certain that when the plants do close down they will not open in much under three months. By this time a certain amount of orders will have been accumulated on the books and the company will probably be able to run for the remainder of the winter, even without any big and substantial orders coming to hand.

Less Coal Being Consumed

Sales of coal have been disappointing. Some of the largest customers of the Dominion Coal Co., big industrial firms that utilize a great deal of coal in the manufacture of pulp, cement, paper, and numerous other commodities have felt a certain slackening in their business, and have reduced their orders for coal. One firm that used 150,000 tons a year is buying only 50,000 tons this year. When big firms start to cut coal orders, it has a bad effect on Besco coal production.

In Eastern Canada—that is in the Sydney and Halifax districts, rumors are rife that Besco is going to go through a process of re-organization in which the common and second preferred shareholders will be wiped out. The rumor is heard even in Montreal, but it cannot be learned officially that there are any important plans in the air in regard to Besco at the present time. Gossip has always been busy in discussing the future Besco and there is no reason why she should quiet her tongue now.

Will There Be Borrowing?

Besco has completed quite a programme of improvements and extensions that have been financed chiefly out of earnings and working capital. It would not be surprising if some financing were arranged in the fall to reimburse the company's treasury for the expenditures in this direction and perhaps to modernize some of the open hearth furnaces. But nothing official has come out and it is hardly likely that anything will be heard on the subject for some months.

Nor is there any word of the resumption of dividend payments on the various preferred stocks. It was not altogether a lack of earning power that caused the dividends to be passed. The company was making just about as much money as it has made all along when dividends had been regularly paid. But it was not considered good business to be paying dividends at a time when it was impossible to improve the workers' wage scales along the lines of the latter's requests, so the dividends went by the board more for reasons of policy than because of any decline in the company's position.

When they will be resumed is entirely an open question, but it is a good guess that now that the dividends have been stopped that the company will seize the opportunity to build up a stronger position by overlooking dividends for some little time. While investors are naturally disappointed, strong banking advice would probably be against early dividend payments again. Especially if some re-organization is attempted, with new interests giving support, would deferment of dividends seem likely. In fact, some people who have in the past given thought to the possibility of taking an interest in British Empire Steel affairs had planned to stop dividends as one of their first moves.

OUTLOOK IS FAIR FOR FIRMS MAKING CARS AND ENGINES

But It's Impossible to Look Far Into the Future

From Our Own Correspondent.

MONTREAL. — Shareholders in such companies as the Canadian Car & Foundry, Canadian Locomotive Co., or National Steel Car Co., are naturally asking themselves these days what prospects are there for future railway purchasing. The question is largely a problematical one which cannot be definitely or explicitly answered, because the railways do not know except from year to year what their needs are going to be nor what amount of money they are going to have with which to purchase these needs.

Although they would not hazard a guess as to the amount of purchasing of railroad equipment that would be done in Canada during the next few years, officials of both the C.P.R. and C.N.R. agreed that last year's purchases were heavier than during the previous twelve months, and that they would be much heavier this year than last. But further than that neither would go. They both told a representative of THE FINANCIAL POST that it is absolutely impossible to state how much money will be spent within the next few years by the railways on equipment. Estimates are made out each year of what new equipment is deemed to be necessary, and these estimates are then sent on for approval. Sometimes they are accommodated to the full extent and all equipment asked for is purchased, but usually the appropriation granted does not take care of all the purchases desired. In which case as much of the equipment as possible is purchased and further desired rolling stock is placed in the next year's estimates.

Development of the Country

It is obvious that future railway purchasing in Canada will largely depend on the development of the country. Replacing worn-out stock with new material is the smallest part of the purchases, the big issue being the buying of modern and up-to-date equipment. Where unsettled districts are opened up enough to necessitate the building of a new line the buying of new equipment, of course, becomes essential. Here is where the development of the country comes in.

Another factor which should play a large part in future purchasing is competition between the two transcontinental lines. As the C.N.R. is getting on its feet this competition is becoming keener all the time; and with the Canadian National going after business in a definite and determined manner it means that it must have the very best in equipment and service. For only by giving its patrons the highest possible service can it hope to cope with the business now being done by its competitor. At the same time, the Canadian Pacific must keep its equipment and service at the very highest state of efficiency in order to meet the steadily increasing competition of the National line. Where the latter purchase the newest in equipment the C.P.R. will have to follow, and vice versa. Therefore one naturally concludes that purchasing of railway rolling stock, while not growing to immense proportions, should at least hold steadily in line with purchases of the past year or so, and may possibly show slight increases.

Some Recent Developments

Some recent railway orders and deliveries are here noted:

Canadian National Ry. has ordered six steel mail and express cars for Central Vermont Ry. from American Car and Foundry Co.

Central Vermont Ry. has ordered twelve steel underframes for cabooses, to be made at American Car and Foundry Company's Berwick, Pa., plant.

Canadian National Ry. has received four mountain type locomotives from Canadian Locomotive Co., four all steel first class passenger cars from Canadian Car and Foundry Co., and seven baggage cars from National Steel Car Corporation.

Timiskaming and Northern Ontario Ry. has ordered an Edison storage battery car through International Equipment Co., Montreal, to be similar to the one now under construction for that railway.

The Canadian National has ordered four parlor buffet observation cars and six parlor cars from Canadian Car and Foundry Co.

The C.P.R. has let the contract for a fine new station at Three Rivers. Thompson-Starrett will build it.

The C.P.R. has announced this year's branch lines construction programme as follows:—

Saskatchewan.—The Tuffnell-Prince Albert branch is under construction from Tuffnell to Tisdale, 92 miles, and this portion will be completed and made ready for operation during the summer. Construction has been authorized on an extension from Tisdale to Nipawin, 36 miles.

The branch line starting at Lanigan, which has been in operation for some time to Naicam, 49.8 miles, and from which place track has been laid for 26 miles to Clemens, will be extended 6 miles to Melfort.

The branch from Wilkie to Cutknife, 28.6 miles, is being operated, and an extension of 40 miles has had track laid on it. The grading will be extended to Battle River, 7 miles, and the whole section will be ballasted and made ready for operation.

The branch line from Leader south will have an easterly extension laid to Pivot for 25 miles to serve the Fox Valley district. During 1923, track was laid on this branch from Burstall to Schuler, 25 miles, and this will be ballasted and made ready for operation during the summer.

The branch lines from Milden to McMorran, 66 miles from Gunworth to Matador, 43 miles, on which track was laid in 1923, are being ballasted and completed for operation.

A line from Amulet, mile 44.5, west of Weyburn, will be built northwesterly, and it is expected to have 25 miles done this year.

Alberta.—The Suffield branch will be extended for 40 miles, to provide railway facilities for the Queenston and Milo districts.

A line from Kipp northeasterly to the Little Bow River, about 25 miles, to serve the Lethbridge Northern Irrigation District, is to be proceeded with.

Canadian National is extending freight sheds at Quebec and at Ottawa. New bridges are being built or old bridges reconstructed at Niagara Falls, Georgetown and Beaverton. A new station and freight shed has been built at Huntsville.

Parliament has been dealing with C.N.R. branch line extensions. A number are to be built where justified to serve settlers now on the land.

EARNED 2.23% ON PREFERRED ISSUE

English Electric Now Ready to Handle Orders for Heavy Electrical Equipment

The profit and loss statement of the English Electric Company of Canada, for 1923, which was presented to the shareholders of the company at Montreal this week, showed profits of $35,659 as against the year's preferred dividend requirement of $160,000 on the $2,000,000 stock outstanding. This represents earnings of 2.23 per cent. on the 8 per cent. stock.

At August 21, 1921, the company issued a statement showing a surplus of the Canadian Crocker Wheeler Company, as at March 31, 1921, of $464,424. The statement to December 30, 1922, showed this surplus reduced by $113,380, being charges to operations and profit and loss from April 1 to December 31, 1921. Added to this was $2,472, being the profit for the year ending December 30, 1922, after providing for depreciation on buildings, plant and equipment. This made a surplus of $353,496, out of which preferred dividends to September 30, 1922, were paid, amounting to $124,404, leaving a surplus at the end of 1922 of $229,092. The surplus at the end of 1923 is increased to $264,751. Following are comparative figures to the two years:

Profit and Loss

	1923	1922
Profits	$ 35,659	$ 2,452
Bal. forward	229,092	351,044
	$264,751	$353,496
Pref. dividends	......	124,404
Balance	$264,751	$229,092

The report of the manager, R. A. Stinson, explains that while contracts were placed for large power developments in Canada in 1923, the English Electric Company's plans were not sufficiently advanced along this line to handle this business. Now contracts are being secured for a substantial amount, including both generator equipment and electric locomotives. The volume of sales, the president declares, for what might be described as standard apparatus dropped off badly during the summer and autumn months due to the business depression prevailing in practically all lines. The shareholders present at the annual meeting showed themselves greatly interested in photographs illustrating the new lines of equipment which the company is now turning out. It is expected that these new lines will add to the company's profits this year.

The balance sheet shows that the investment in plant, land, buildings, patent rights, etc., increased during the year from $1,901,117 to $2,293,749. Depreciation of $304,786 has been provided, being deducted from plant account.

DOMINION ALLOY STEEL

Work has started excavating for the sheet mill of Dominion Alloy Steel and according to President W. B. Boyd will be in operation next January. Good progress is being made on the large site at Sarnia, wells are being drilled for water, sewers are being laid and a hydro sub-station built.

COCKSHUTT PLOW

Tariff changes contained in the recent budget and the trend of public sentiment there indicated are evidently reflected in the action of the directors of the Cockshutt Plow Company in passing dividends on the 7 per cent. preference shares for the quarter ending June 30th, 1924. Despite a better feeling generally in Western Canada, both as regards collections and new business, the directors deem it advisable to discontinue payments for the present. The stock is not listed but unlisted quotations have discounted this action, the stock recently being quoted at 26 to 29 as compared with $45 at the opening of the year. In the financial statement for the 18 months period December 31, 1923, the company reported profits of $98,635 against dividend requirements of $387,900.

The company was affected by war conditions in 1914 when the dividend for the quarter ended September, 1914, was deferred. Beginning November 1, 1917, 1 per cent. quarterly has been paid, and in November, 1919, 3½ per cent. extra was paid on arrears. Dividend arrears accumulated now amount to more than the market quotation for the stock. Col. Henry Cockshutt, of Brantford, is president of the company, and the directors include Sir Augustus Nanton and H. W. Hutchinson, Winnipeg; George A. Macfarlane, Toronto; Frederick Perry, Montreal; and G. K. Wedlake, E. A. Mott and W. S. Macfarlane, Brantford.

Pulp and Paper

EDDY'S NEW MILL MEANS BUSINESS FOR MANY FIRMS

Walmsley's, Anglin-Norcross and Ottawa-Hull Power Get Orders

From Our Own Correspondent.

MONTREAL.—How a big construction job spreads its invigorating influence over numerous companies is well illustrated in the case of the E. B. Eddy Company at Hull, which is now undertaking complete renewal of its pulp and paper manufacturing equipment.

The job means a big machine order for Anglin-Norcross, the large build- This company has the contract for a new 100 ton newsprint machine.

It means an order for the Ottawa and Hull Power Company for 6,000 h.p. of electrical energy, which will be derived from the plant of the Ottawa and Hull's subsidiary, the Ottawa River Power Company, which is developing a power site at Bryson, Quebec, on the Ottawa River.

It means a construction contract for Anglin, Norcross, the large building engineering firm of Montreal. And, of course, machinery, cement, bricks, and numerous other articles will be bought in large quantity.

Will be a Modern Plant

Upon completion, the E. B. Eddy Co., Ltd., will have one of the most modern newsprint and sulphite plants in America. The newsprint output will be doubled, as will be the production of sulphite.

The company has also spent considerable money in opening up new timber limits many miles north of Maniwaki and it is planned to float logs direct to the mills in Hull. This would result in quicker and more efficient delivery of raw material.

New Mill for Newsprint

The principal additions to the present plant will consist of a very modern newsprint mill, having a daily capacity of over 100 tons. The building which is to contain the new newsprint machine is being so designed that a second machine of the same capacity may be added in due course if conditions warrant increased production. The machine is being built by Messrs. Charles Walmsley & Co. (Canada) Ltd., at the big plant located at Montreal South, and formerly occupied by the Armstrong-Whitworth Company.

Modernize Sulphite Mill

The sulphite mill will be entirely renovated. Only a small proportion of the present plant can be utilized owing to the change of manufacturing methods that have taken place since the old plant was put into operation. When completed, the company will be in position to produce between 60 and 75 tons of sulphite per day. Three digesters are planned for under the present scheme of development, but so arranged that additional units may be added in due course if required.

Need 6,000 H.P. More

The extent of the improvements which are being inaugurated can perhaps be best illustrated by the fact that the company has completed arrangements with the Ottawa and Hull Power Company, Ltd., for the supply of an additional 6,000 h.p. electrical energy from its new Bryson plant. This supply will practically double the present consumption of power developed at its Chaudiere power plant.

The contract for the construction of all the principal buildings and the erection work has been awarded to Messrs. Anglin-Norcross Limited, of Montreal.

At present the company is carrying between 1,300 and 1,400 persons on the permanent payroll at Hull; but when the present building program is completed it is likely that there will be an increase of nearly fifty per cent. in the number.

INTERNATIONAL PAPER

International Paper's advance to its highest for the year was coincident with the announcement that certain of the company's closed plants are to be reopened shortly. However, strong banking support was credited with the rise in the stock and knowledge of this attracted more attention than reports of favorable earnings and increased operations.

MEETINGS ARE ADJOURNED

Owing to the absence of a number of interested parties, the secretary of the Bondholders' Protective Committee of the Saguenay Pulp and Paper Company has given notice that the general meeting of holders of 6½ per cent. bonds will be adjourned until July 31, to be held at 2 p.m. The meeting of the bondholders of the Chicoutimi Pulp Company will be adjourned to the same day, to be held at 3 p.m.

HOWARD SMITH PAPER MILLS

Harold Crabtree, secretary-treasurer, Howard Smith Paper Mills, says that although sales for that company so far this year as compared with a similar period in 1923 are slightly less, the tonnage produced is about the same. A careful comparison of the payrolls has been made and the number of employees at work this year compares very favorably with totals of last year.

"To forecast movements of the next six months in Canadian industry is extremely hard," says Mr. Crabtree in a statement to Canadian Machinery. "There is no denying the fact that on account of reductions in the tariff, brought down in the last budget, business has become panicky. I am of the opinion that it will be some little time before business will find its true level, six months or more. We are, however, looking forward with every hope and confidence.

"Protection to-day has been reduced to a minimum, owing to two things, apart from the action of the government. Depreciated currency in foreign countries and extremely low wages paid in foreign factories allow goods to be sold in Canada at very low rates. As a matter of fact, the average wages in paper mills in Great Britain and the continent does not amount to more than 50 per cent. of the wages paid in Canada. In view of such conditions, it seems to me that Canada should wipe out the British preference entirely and that a full investigation should be made into the whole question of tariff."

TOURISTS BRING MILLIONS

OTTAWA.—Tourists spent approximately $136,000,000 in Canada during the past year, according to an estimate prepared by the Dominion Parks Branch.

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Flour Milling Securities

U. S. BONDING HITS CANADIAN EXPORT FLOUR INDUSTRY

Buffalo Bonded Mills Undersell Canadian Product on Foreign Market

From Our Own Correspondent

MONTREAL. — Milling interests here are strongly urging the placing of an export tax on wheat for milling in bond to prevent furtherance of the present unfair conditions in the export wheat situation. According to F. C. Cornell, secretary of the Canadian Millers' Association, bonded mills at Buffalo are milling Canadian wheat in bond under privileges given by the United States Tariff Act, which enable them to operate with several advantages over Canadian millers.

In the first place Buffalo millers milling Canadian wheat can obtain slightly cheaper freights on the Great Lakes to Buffalo as compared to Port Colborne. The flour milled in bond from Canadian wheat in Buffalo is free from any control by Canadian authorities as to quality and this leaves the door open for misrepresentation in export markets to the detriment of the high reputation that Canadian wheat milled in Canadian mills now holds. It is a well-known fact that the standard of some American bonded mills is very low and Canadians are very anxious over the natural loss in reputation which is bound to result. They have learned from years of experience that it is necessary for them to maintain their high standards if they are to hold their foregin trade.

Buffalo Industry Expands

Further, in those countries where a preferential tariff is accorded United States products, Canadian wheat flour milled in bond in the States obtains the benefit of this preferential duty, thus practically forcing Canadian millers out of these markets, due solely to the competition of flour manufactured from Canadian wheat in the States. Another advantage these Buffalo mills are accorded by the milling in bond regulations is the more favorable basis on which they can release their mill feeds than if they were milled in Canada. While all flour presumably milled from this bonded wheat in the States goes for export, it is necessary for them to release their mill feeds in consumption in the United States.

As a natural result of these favorable conditions the milling industry at Buffalo is expanding with great rapidity. It is estimated that at the first of this month capacity in the Buffalo area was 48,000 barrels per day, or a total equal to 50 per cent. of the total commercial milling capacity in Canada. And the capacity at Buffalo is still on the increase. Since July 1, 1923, American bonded mills have milled in bond some 13,000,000 bushels of Canadian wheat.

Drawback of 99 Per Cent.

An extremely favorable provision accorded by these milling in bond facilities is that whereby wheat that is milled in a bonded mill in the United States is entitled to a drawback of 99 per cent. of the duties paid when the wheat is imported on proof of exportation of the products. Communications which Mr. Cornell has had from those interested in the Southwestern States would indicate that they are of the opinion that the United States Tariff Act was not framed with the intention of having milling in bond facilities used in this manner. It is generally understood that the Tariff Act was to raise the general level of prices to the American producer, but this milling in bond arrangement is one of the reasons why the price of wheat to the American grower has not been raised. As a matter of fact at the present time Chicago prices are ranging lower than those on the Winnipeg market. A factor which practically prohibits the shipment of flour from Canadian mills via New York is the inland freight rates on Canadian railroads, which enables the bonded mills at Buffalo to underquote Canadian mills on Canadian flour milled in bond.

Other Parts of U. S. Object

Competition of these Buffalo mills is reaching serious proportions not only from the point of view of Canadian producers and millers, but also from those of the Southwestern States. Going forward, as it does, from Buffalo to export markets as of United States origin, this flour is obviously detrimental to Canadian interests, more particularly in countries that are importers of flour and not of wheat.

If some arrangement could be made by the Dominion Government to prohibit the milling of Canadian wheat in bond in the United States, possibly by means of an export tax on all wheat except that being shipped in bond for export as wheat, it is believed that this unfair and unequal competition would be materially reduced.

Drastic Action Necessary

The following editorial, which appeared in a recent issue of the Canadian Milling and Grain Journal, advocating drastic action on the part of the Canadian Government, with regard to the milling in bond situation, shows the attitude of the Canadian milling trade, which feels that something must be done to alleviate the present unfair conditions and that right early:

"Now that the United States is definitely endeavoring to shut out our wheat with a prohibitive 42-cent tariff wall, there is no good reason why Canada should not declare an immediate embargo on the Canadian wheat that for years past has been pouring into the United States, in bond, for milling purposes to enrich the American milling industry and swell American payrolls.

"Once Canadian hard wheat was definitely withheld from American mills, those mills would be forced through lack of high-grade flour constituents, to establish branches in Canada, and more particularly in Vancouver, for the purpose of serving the Oriental market.

"Or even if American millers were able to carry on without Canadian wheat by sacrificing profits to take the Argentine or Australian products, the markets ordinarily served by American mills would temporarily, at least, be in such a disturbed condition that they could be easily captured by any Canadian or British capital that chose to establish mills on the Canadian Pacific coast.

"To permit the further export of Canadian wheat to American mills is simply to turn the other cheek, and to lie down helplessly before a tariff policy that is sure to undermine the agricultural prosperity of the Dominion if Canadians do not fight tariff with tariff and embargo with embargo, to the last ditch."

MILLING COMPANIES

Conditions in the milling industry, from the viewpoint of new business, continue to be quiet. Those mills that are busy are filling orders which were placed before the recent advance in wheat prices set in. The domestic demand shows a slight improvement. Prices are steady in sympathy with the continued strength of the wheat markets. Higher prices are looked for in the near future.

WHO STARTED STORY ABOUT THE LOBSTER?

Important Maritime Industry Has Suffered Because of Sensational Reporting

HALIFAX.—Members of the Canadian lobster packing industry were much perturbed last month by two articles which appeared in Canadian newspapers, one relating to the presence of bacilli in lobsters, the other stating that lobster canners had been warned that their factories must strive for still greater cleanliness. The former was based on a scientific report that had been published by the Biological Board, and the latter from an address given by Doctor Knight before the House of Commons Committee on the Fisheries.

The lobster industry has suffered much from unfriendly propaganda, according to The Maritime Merchant.

"Fifty years ago there was a case of poisoning which was attributed to bad lobsters. The report of it got into a medical text book, and subsequently all young doctors, when confronted with cases of ptomaine poisoning, began to ask: 'When did you last eat lobsters?' It is asserted, however, by members of the packing trade that during the past thirty years, not one single case of poisoning from eating canned lobsters has ever been established. It is to be regretted that the reports of scientists to improve the condition of the lobster industry have been turned to its destruction because of some enterprising newspaper reporter's desire for a sensation."

The lobster industry represents a most valuable asset to the Maritime Provinces, and we have reason to believe that a steady improvement in its methods is constantly being made. Crude equipment has been supplanted by modern equipment in all the large canneries, and the need for cleanliness at every stage is to-day the watchword of all. Compared with the precautions that were taken to secure cleanliness thirty years ago, there is no doubt whatever that the present-day lobster factory is greatly advanced. Of course the efforts of the government inspector are still needed to see that there is no back-sliding, but the very fact that this inspection is so rigorous is one of the public's safe-guards. The Year Book shows us that our lobster industry is worth from five to six million dollars annually. Is it not foolish then to think that the men engaged in this industry would through carelessness encompass its destruction?

FORTY CARS DAILY

A recent statement circulated in the press to the effect that production of Durant Motors of Canada was forty cars weekly was an unfortunate error, as the company's production is forty cars daily. THE FINANCIAL POST is informed that production is still being maintained at forty cars a day.

IMPERIAL HAS FAITH IN ALBERTA

Imperial Oil has not lost faith in its search for oil in Alberta, and the search is going forward, in the statement made in a recent issue of Imperial Oil Review. The remark is made that a successful climax would change the whole industrial outlook of Canada.

WORLD'S COAL OUTPUT

Statistics compiled by U. S. Geological Survey show that the world's production of coal in 1923 was the largest in any year since 1913, but fell somewhat short of the 1913 figure, the last year preceding the world war. The total output is estimated at 1,337,000,000 metric tons, as compared with 1,342,000,000 tons in 1913.

WANT EASTERN BROKERS TO SPLIT THEIR COMMISSION

Coast Brokers Say by Not Doing so They Are Driving Funds Out of Canada

VANCOUVER.—Local brokers still continue to criticize eastern brokers because of the commission charges made on stock transactions, contending that they are much higher than those charged by New York houses with the result that the western business is being sent across the line.

Eastern houses are observing their rule to not split commissions. The result is that western houses must pay the full commission when they buy in the east and then tack on their own commission. Eastern brokers say that the way out is for the western houses to purchase a seat on one of the eastern Exchanges. This is said by the westerners to be too costly.

Vancouver papers have been giving a great deal of space to the subject. Have the stock exchanges of Montreal and Toronto any national responsibility? asks The Vancouver Sun and adds:

"In view of the fact that the high commission policies of these exchanges are turning millions of dollars of Western Canadian money for investment into Wall Street—turning that money definitely out of the Dominion—these questions are of no little importance and will eventually have to be answered in the East."

They say that the solution is simple. The Montreal and Toronto brokers have only to recognize the right of Vancouver brokers to split commissions. They quote Seymour L. Cromwell, past president of the New York exchange as saying that the New York exchange is a national institution providing funds for building railways, extending telephones, etc., and add:

"The major stock exchanges of Canada, at Montreal or Toronto, are actually discouraging Western Canadian money from taking its part in the building 'railroads, telegraphs and telephones' in Canada and are diverting the money to 'Montana or the Dakotas or down in the remote reaches of Texas,' via Wall Street."

PREFERRED DIVIDEND MORE THAN EARNED

Considerable Improvement is Shown in Annual Statement of Tooke Brothers

A substantial increase in profits for the year ending May 31 is shown in the annual statement of Tooke Bros. Ltd., and subsidiary companies. Profits for the year are shown at $92,116 compared with $61,910 for the previous year and with a deficit of $58,681 for the year ending May 1922. The improvement indicated was effected in the face of rather unsettled conditions during a considerable portion of the year and, in view of this, considerable betterment is anticipated in the current year. After deducting bond interest and making allowances for depreciation on machinery and other reserves, the balance of $44,614 was added to the previous balance of $124,821, making a total surplus of $169,435. Following are comparative figures:

Profit and Loss Statement

	1924	1923
Profits for year	$ 92,116	$ 61,911
Interest	23,637	24,254
Dep. on machinery etc.	17,539	18,556
Bond discount	1,750	1,750
Tax reserve	4,576	2,360
Balance	$ 44,614	$ 14,990
Prev. balance	124,821	109,831
	$169,435	$124,821

The company has $985,000 of 7 per cent. preferred stock outstanding, the anual dividend requirement for which is $68,950. The common stock amounts to $650,000.

Improvement in the working capital position of the company is shown to the extent of slightly over $70,000, and this is largely the result of a material reduction in bank loans. Excess of current assets over current liabilities is shown at $840,689 as compared with $769,207 in the previous year.

Home Consumption of Sugar Larger

MONTREAL.—Figures recently released by the Dominion Bureau of Statistics regarding the Canadian sugar industry for the four-weeks' period ending June 14, show that there was some considerable increase in the domestic consumption of sugar in Canada during that period. Shipments for that purpose totalled 66,013,891 pounds, as against 43,127,433 pounds in the corresponding period last year, or an increase of 22,886,458 pounds. An increase of relatively similar size is shown in the figures for domestic consumption since the first of the year. Total shipments from January 1 to June 14, this year, were 305,385,965 pounds, compared to 303,462,134 pounds in the same period of 1923.

On the other hand, huge decreases are reported in the export sugar trade, shipments for the four-week period totalling but 5,251,573 pounds, which is exceedingly small when compared with last year's total of 36,836,828 pounds. That this decrease is not peculiar to this four-week period may be judged from the figures for the year to date which shows total export shipments of 59,893,627 pounds, as against last year's total for the similar period of 108,322,755 pounds.

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ENGLISH MILLS AND COUNTRY ELEVATORS

(Grain Trade News)

If it be true, as reported, that Spillers' Consolidated, the big English milling combination, is securing control of a large line of elevators in Alberta and Saskatchewan, the news should be of particular interest to the Alberta pool. The milling company would have a market within itself for large quantities of grain and it could plan shipments in such a way as to get the best results out of the Vancouver route, while the alternative of the eastern route would be always available. Under these conditions competition from the Alberta pool could never assume very threatening proportions, while, on the other hand, the pool would have to show extraordinarily good results to satisfy its members that they were faring as well as independent farmers. If the reported plans of this English company are fully carried out they will undoubtedly provide a steadying influence in the Canadian market, but, at the same time, it would not be a good thing for Canada to have too large a proportion of the primary buying fall into the hands of European importing and consuming interests, and the best security which producers can have is a strong independent Canadian grain trade.

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CROWN RESERVE

The Crown Reserve Mining Company, are offering their shareholders a million shares of the company's capital stock of par value of $1.00.

Offer is being made to shareholders of record the 21st July and may be exercised up to August 1st. Offering is at 60 cents a share; terms 20 cents with subscription, 20 cents August 30th, and 20 cents September 30th. There is no restriction as to the number of shares any shareholder may subscribe for.

According to the last statement, the outstanding capital was $2,607,957 of an authorized capitalization of $4,000,000.

MINING NEWS FOR THE INVESTOR

DIVIDEND GOLD STOCKS SELLING AT HIGHER LEVELS

But Speculative Interest is Lacking—Oils Are Steady

With the exception of the higher priced investment gold stocks, like McIntyre and Hollinger, which have been displaying activity and strength in the late trading, and some of the dividend paying silvers, the market for mining stocks has continued to drift to lower levels. The general lack of speculative interest is seasonal and is noted on the Toronto and Montreal stock exchanges as well as on the mining exchanges.

Oil stocks dealt in on the Canadian stock markets, like those of the oil leaders in Wall Street, have remained steady during the week. A reduction of 10c. to 50c. a barrel on Pennsylvania and other grades of eastern crude oil was evidently anticipated. In the face of official cuts and rumors of over production stocks ruled steady to strong in Wall Street. The general assumption in oil trade circles is that the reductions in crude prices and the recent pro-rating in some western fields were adopted to warn producers from carrying out pre-arranged drilling campaigns. If this can be done, the opinion is that the oil industry will experience a profitable season during the last half of 1924.

There is considerable interest in the report of a new silver find north of Fort William, but, while there is undoubtedly silver in this area further definite information is being awaited before accepting the discovery as being of the importance indicated by the enthusiastic press despatches.

ONTARIO MOVES TO GET ROUYN TRADE

Extend Government Railway Across Quebec Border to Beat C.P.R. to New Camp

The extension of the new Kirkland Lake branch of the T. N. O. Railway into Rouyn Twp., Quebec, by the Ontario Government has a two-fold object. The camp promises to be a big one, thus the government railway will receive the heavy freight traffic going into the area. The second reason is that it will have the tendency to divert to Toronto and other Ontario cities, the bulk of the business that would in all probability go to Montreal if the C.P.R. Kipawa branch along the east shore of Lake Timiskaming was extended into the camp. Its present terminal is 70 miles away. The T. N. O. extension will be 30 miles long. The Kirkland Lake branch is being built under the charter of Nipissing Central Railway and Ottawa has been asked to approve of the extension of the line into the adjoining province. The cost will be $1,500,000.

McIntyre May Erect Houses for Workers

Directors of McIntyre Gold Mines have had under consideration for some time the matter of providing houses for some of their workmen. Evidently they are nearing the point of taking some such action as they recently visited Iroquois Falls inspecting the houses erected by Abitibi Pulp and Paper Co. Hollinger and Dome mines have erected a large number of houses for their workers. Timmins, Schummacker and South Porcupine are growing rapidly because of the rapid mine development of the area and new houses are in steady demand. The mines find that by providing houses they are able to maintain the best workers.

Central Manitoba Area Has Promising Prospects

Bull Dog Lake and Long Lake sections of central Manitoba have many mining prospects that warrant the expenditure of money to test them out, say Shirley Craig, M.E., and Gilbert Lahine who are just out from that section of Manitoba. They mentioned the Rockland-Ogama, Nora-Madeline, Eldorado, Midway, Ore Grande, being operated by a large English concern which has a body of extraordinary rich ore; the Onandago operated by Winnipeg men had splendid ore in the dump ready for milling and development work properly directed on this porperty would be productive.

Milton Hersey Engineer in the Rouyn Gold Field

James G. Ross, consulting engineer of the Milton Hersey Company, is now in the Rouyn gold areas and is making an examination of the properties of the Don Rouyn Gold Mines Limited. Mr. Ross has been engaged to exercise supervision over all major engineering activities in connection with the Don Rouyn properties from now on.

Don Rouyn Gold Mines Ltd. is acting as a developing company only. Properties after being proven will be sold, and profits on the shares in the company earned in that way. Stock is now being offered at 30 cents a share (par value $1) for the purpose of proving properties Don Rouyn now owns, totalling some 1,920 acres of apparently well-placed holdings. Financing is being arranged through the St. Lawrence Finance Corporation, Montreal.

NEARLY 50% GAIN

Ontario in the first six months of 1924 produced almost 50 per cent. more gold than in the same period of 1923. Power troubles retarded production in 1923. This year there has been ample power, new producers and enlarged outputs. An estimate follows:

	1924	1923
Hollinger	$ 6,600,000	$4,276,249
Dome	2,100,000	1,986,774
McIntyre	1,900,000	996,514
Vipond	300,000	none
Lake Shore	300,000	299,003
Teck-Hughes	550,000	560,445
W. Hargreaves	450,000	381,210
Argonaut	150,000	none
N. Hawk	75,000	none
Miscellaneous	20,000	21,667
	$12,645,000	$8,653,903

Outlook for Hattie Shareholders Not Good

J. Dunlop, late manager of Hattie Gold mines, is credited with the statement that his resignation was due to the fact that an assay of the mine samples, later checked by taking other samples to McIntyre mines, showed a very small gold content; that the vein in question in which values occur is a mere stringer and that the schisted material, the wide body, does not carry values of commercial grade. Mr. Dunlop's objection is said to be based on reports broadcast showing high values in gold. Mr. Dunlop is the second official to leave. Mr. Menzel, the consulting engineer brought here from New York, resigned some time ago.

This stand of the late manager makes this mining proposition very unattractive. Hattie has not been handled well. The stock was sold at a price that did not promise success. Disputes which arose among directors, while hurting many speculators, had the advantage of getting the stock down to something like its true value. Then there has been a steady acquisition of claims. Only recently it was announced that others had been acquired but no mention made of the vendor or the price paid. Opinion among mining men is that Hattie shareholders have a poor outlook; a complete reorganization and change of control is said to be inevitable.

Hazelton Syn. Starts Developing Its Property

Hazelton Porcupine syndicate, with 240 acres in Denton Tp. Porcupine Mining Division, has started development work with a small crew of men under the direction of W. A. Hirschfeld. For the present work will be confined to the development of No. 2 and No. 4 veins. Stripping and trenching on No. 4 vein has disclosed a vein width of 22 feet, consisting of interbanded quartz and schist very finely mineralized, with a small quantity of fine free gold. It is intended to diamond drill as soon as the necessary arrangements can be made.

PREPARES FOR DEEP SHAFT

McIntyre Gathering Data Before Making Start on Hugh Venture

The McIntyre Gold mines is making plans for the new main shaft which will be carried to 5,000-ft. Information for guidance of the company's experts in making their decision is being gathered. The question of a vertical or incline shaft has also come up and data on this point are to be gathered from the deep copper mines of northern Michigan.

PROBE DISPOSAL OF T-KRIST PROPERTY

Cobalters Want Shareholders to Join in Move to Secure an Investigation

Shareholders of Thompson-Krist Gold mines are being circulated by Cobalt shareholders asking that they join in an action to recover possession of Thompson-Krist property and make a full investigation of the deal between the Porcupine Crown and the Thompson-Krist companies and the subsequent court action which resulted in the surrender of property for what is termed "a trifling consideration."

The circular says:

"It is inconceivable that the directors could have entered into the merger deal through ignorance or imbecility, when it is taken into consideration that the Porcupine Crown was a dead and exhausted property of only forty acres while the Thompson-Krist property comprised one hundred and twenty acres adjoining the Hollinger and V. N. T. and possessing the best geological possibilities of any of the non-operating properties in the Porcupine district. In fact a deal that resulted in practically making a present of a valuable property to the Porcupine Crown Mines for a trifling consideration."

Then follows the rather serious allegation that the deal was consummated without knowledge or consent of shareholders and the statement is made that two offers of $100,000 were made which would have resulted in a reorganization and saved the property. These were ignored. They were never given due consideration, it is contended. The letter then deals with other phases of the deal and concludes with the statement that it is decided to get all shareholders to co-operate. N. N. Maloof, and others, Cobalt, are behind the movement.

FINDS EAST OF ROUYN

News that representatives of O'Brien interests have made a rich and important strike a considerable distance east of Rouyn, has been followed by quite a rush. There is a report of even richer and more important finds being made.

WRITER DOES NOT LIKE MINE FINANCE

London Statist Representative Attacks Methods in Canada

"The obnoxious system of finance," is referred to as the "one fly in the ointment" in Ontario mining by a representative of London Statist who is writing a series of special articles on Canadian mining.

He says:

"The cost of registering companies—or rather of obtaining company charters—in Ontario is very small (a circumstance satisfactory enough by itself), and mining companies are permitted to issue or sell shares at any discount down to 90 per cent. Hence it has become the custom to float mining companies on the flimsiest foundations, furnish them with nominal share capitals of elephantine proportions, parcel off a large block of this paper stock to vendors and peddle out the treasury (or as we would say, working capital) shares at any price that can be got. Toronto, so far as Ontario mining is concerned, is the headquarters of the company promoters and share salesmen, and they are so ubiquitous as to make one think of a City of Make-Believe where the difference between optimism and exaggeration is less than the thickness of a piece of paper."

He then pictures brokers and salesmen flooding the country, etc., and makes the statement that "probably if the average could be got at it would show that not more than 20 per cent. of the capital raised by public issues and brokers' offers goes into mining work, and that fully 80 per cent. is the promotors' or brokers' rake-off.

What he says is true of some concerns which THE POST has consistently exposed but, when one checks over the millions that have been paid in dividends by concerns floated by public offering, one gets a milder viewpoint. Only two privately-owned mines exist, O'Brien, Cobalt and Miller Lake O'Brien, Gowganda.

Perhaps even greater exaggeration is the following:

"Cases where companies issue (or option) to brokers shares at 10 to 15 cents and the brokers sell them at par are of common occurrence."

The fact that it is difficult to point to a known occurrence of this nature though there are one or two suspected, shows the "commonness" of this practice. Immediately following this the writer attacks the Standard Mining Exchange, which is said to be the hive of these wasps.

Base Metal Prices Are Holding Quite Firmly

Copper prices remain firm. Consumption exceeds the refinery production according to New York figures, the 5 month consumption being 1,176,000,000 and production 1,091,000,000. For more than a year the output has been on reduced proportions and this will continue for some time it is expected.

The European copper market rules weakish with German liquidation still in force.

Price trend in lead and zinc is somewhat akin to that in copper. Lead buying has been light, though future delivery prices are firmer. London market has a better tone on both lead and zinc.

SILVER AND OTHER METALS

	July 3	7	8	9
Silver:—				
London (D)	34 7/16	34½	34½	34 9/16
New York	66¼	66⅝	66½	66⅝
Copper	12½	12⅝	12⅝	12¼
Lead	7.00	7.00	7.00	7.00
Zinc	5.80	5.80	5.80	5.80

Mining Stock Quotations

Week Ending July 8.

	High	Low	Close July 8	Close June 30
Apex	3¼	2½	2½	3¼
Argonaut	47	39	39	48
Atlas	4⅝	4	4⅝	4¼
Baldwin	3	2⅝	2½	3
Beatty	4	3½	3½	4¼
Beaver	16	13½	14½	15¼
Bidgood	7⅝	7¼	7⅝	7¼
Buckingham	3½	3½	3½	3
Can. Lorrain	59	55	56	60
Capitol	35½	32	32	34
Castle Tre.	67½	62	66	64
Clifton Con.	15½	14½	14½	16¼
Coniagas	1.55	1.55	1.65	1.55
Cons. Smelters	39	38¼	39	38¼
Cons. W. Dome	20½	17½	18	20¼
Crown Res.	51	50	51	52
Dome Mines	17.30	16.00	16.25	17.30
Everett	3	2¾	2¾	3½
Gold Reef	1⅝	1¼	1¼	1½
Goldale	24¼	20½	20½	23
Hattie	7½	5¼	5¾	7¾
Hollinger	13.25	13.05	13.20	13.10
Hunton	9¼	8¾	9	8¾
Inspiration	10¼	10	10	10
Indian	16	12	12	15
Keora	12	10	10	11½
Keeley	2.27	2.20	2.20	2.25
Kirk. Lake	17¾	16¼	16¼	17½
Lakeside	19½	19	19	19
La Rose	9	9	9	9
Lake Shore	3.75	3.66	3.75	3.67
Lorrain, T. L.	1.37	1.34	1.37	1.38
Lorrain	22	20	20¼	21
McIntyre	16.11	15.80	16.20	16.10
McKinley	10⅛	10	10	10
Mining Corp.	2.65	2.37	2.42	2.69
Moneta	18	17	17	19
Newray	23	21	21	23¾
Nipissing	6.15	6.05	6.05	6.10
Night Hawk	41	41	41	45
Ophir	2¼	2	2¼	2½
Preston, E. D.	11½	11⅛	11⅝	11⅝
Pete. Lake	8¾	7⅞	8¼	8⅝
Rouyn	26	23½	23½	25
Teck Hughes	1.11	1.09	1.10	1.10
Thomp. Krist	2¼	2¼	2¼	2
Timiskaming	18	18	18	19½
Tough Oakes	58	55	57	58½
Trethewey	11¼	10½	11¼	10¼
Skead	30	28	30	28
Vipond Cons.	1.02	97	1.00	1.02
Wasapika	2½	2¼	2¼	2⅛
West Tree	5	4¼	4¼	4¾
Wettlaufer	25	24	24	27
Wright Har.	3.35	3.30	3.31	3.35
NEW YORK PRICES				
Int. Nickel, com.	17¼	15⅛	17¼	15
OIL COMPANIES				
B. A. Oil	32¾	32½	32½	32½
Imperial	103	101	102	100½
Mutual	10¼	9¾	10⅛	10
North Star, com.	70	70	70	70

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Also the control of the Company, 220,000 shares of stock in the Treasury. Capitalization half a million. Everything in connection with the Company in perfect order. No debts outstanding. Communicate with the undersigned, the Secretary,
W. F. McPHIE,
Box 423, North Bay, Ont.

Davidson to Connect Up With Old Workings

Porcupine Davidson incline shaft is down 650-ft. This is believed to be opposite the old 500-ft. level workings and a drill is being used to locate its level. As soon as a crosscut is driven to connect with the big ore body at 500, 550 and 600 feet, drifting and breaking down of ore in the 35-ft. ore body will be resumed. Meanwhile, the incline shaft will be pushed to the 1,000-ft. level, when crosscutting will commence to open up the ore body at that depth already indicated by diamond drills. By that time a number of faces in millrock should be exploited. The next step after that will be the erection of a 500-ton mill.

Waiting for New Silver Discovery to be Confirmed

In mining circles there is a tendency to refrain from enthusiasm regarding the reported discovery of a rich vein of silver within one hundred miles of Fort William until this has been confirmed. There is silver in the country at the head of the lakes and it is possible that the discovery made may be a very valuable one, but the press despatches have no doubt made the find appear as important as possible and experience teaches that such announcements may usually be discounted in the light of more thorough and extensive investigation.

NIPISSING PRODUCTION TOTAL

Nipissing's silver production has passed the 70,000,000 ounce mark, having produced over 1,500,000 ounces the first half of this year. The value of production to date is $47,700,000 with $26,160,000 paid in dividends.

BREAKING 200,000 TONS MONTHLY

Hollinger is reported as breaking ore at the rate of 200,000 tons monthly. This is better than 1,000 tons daily over the mill requirements.

DRIVING TECK SHAFT

Teck-Hughes' new shaft is already close to 100-ft. level, while another operation has started up from the 500-ft. level. When completed the same method will be employed of working up and down from the 500 to 1,000-ft. level.

Reports from the north state that Teck-Hughes may pay a dividend before the end of the current year. A surplus has been accumulating at the rate of approximately $50,000 a month, and at the commencement of 1924 had retired all their obligations. A surplus of well over half a million is predicted before the close of the year if developments continue at a normal rate.

Very Active Year Faces Federal Mines Branch

During 1924 the Federal Mines Branch will undertake field investigations of mineral resources and their technology and of the mining industry through eight parties in addition to field studies directly related to laboratory investigations; and in the laboratories and experiment stations at Ottawa will conduct a variety of tests, experimental and research work on determining the character and values of ores, fuels and mineral products for their treatment and for the efficient recovery of their valuable constituents. Dr. A. W. G. Wilson, chief of the division of mineral resources, will spend a considerable portion of the season at the British Empire Exhibition in London furnishing information to enquirers respecting Canada's mineral resources and the opportunity for their development.

B. F. Haanel, chief of the fuel testing division, is attending the world's power conference at London and will investigate several processes under development in Europe for the treatment of coal and the production of special fuels.

TWO NEW WESTERN ONTARIO OIL WELLS

St. Thomas Oil and Gas Co. has struck a second flow of oil on the Hatton farm, in Dunwich Tp. The first well was struck about five weeks ago at a depth of 340 feet and is reported to flow about 100 barrels a day. The oil in the second well was struck at 360 feet.

NEWS OF THE BANKS AND BANKING

EMERGENCY AID FOR FARMERS IS OPPOSED BY ROBB

House is Not in Favor of a Direct Grant by Government

From Our Own Correspondent.

OTTAWA.—The establishmeent of a system of agricultural credits goes over until next session. This is the recommendation of the House of Commons banking and commerce committee. The report, however, does more than merely defer action. It recommends that there be further investigation with a report that will ensure legislation during next session of Parliament.

The Alberta Progressives are very keen on the establishment of a rural credits scheme. They have been urging it for some time and during the examination of Dr. Tory, who has been investigating the subject for the government, they drew from him the admission that there was an emergency in the West that should be relieved and, that $10,000,000 should be voted for this purpose. A sub-committee of the banking and commerce committee was appointed to report on this "emergency" and measures to meet it. The Alberta members tried hard to get direct endorsement for an emergency grant, but failed. So they tried again through a motion made by G. C. Coote in the general committee in the form of an amendment to the sub-committee's report.

In brief the Coote proposal was that a sum not exceeding $15,000,000 should be placed at the disposal of the provinces, to be loaned by them to farmers, the provinces being held responsible therefor. Precedent for this was found in the votes for housing and highways. The loans in no case were to exceed $5,000; they were not to exceed 50 per cent. of the appraised value of the land, nor more than 25 per cent. of the appraised value of buildings. The money was to be advanced at the same rate as the Dominion borrowed. the loan charges not to exceed an additional one per cent. The loans were to be the amortization plan and to be extinguished within 35 years.

Supported by Stevens

The proposal received more support than had been thought probable. Among those who spoke in its favor was Hon. H. H. Stevens who has given a very great attention to the subject of farm debts in the West, and who is convinced that something must be done to meet the situation. He frankly said that there was a situation out there that had to be met, and that the sooner this was realized the better. He added that in his opinion the banking committee would have been more profitably engaged had it given more attention to this matter.

Another leading Conservative who supported the proposal was L. Ladner, whose efforts in advocacy of the central reserve bank and the insuring of savings deposits are well known. He said it was notorious that farmers could not get money as cheaply as ordinary business men could get it, and that they could not afford to pay more.

Robb Against It

The most formidable opposition was encountered in Hon. J. A. Robb, acting minister of finance, who said that the proposal looked like one to get another $15,000,000 in the estimates. He submitted that there was considerable to be said against the policy of making loans to the province, the proceeds of which were spent by them. He seemed inclined to consider this another attempt to pull ourselves up by the boot straps. The difficulties in which the farmers found themselves were not to be attributed entirely to lack of credit and he thought that good crops would do more than anything else to put the farmers on their feet. He pointed out that not a single province had asked for this legislation. He announced that this, with other subjects, would be discussed at a conference between representatives of the provinces to be held during the fall, and as Dr. Tory had not recommended such a grant in his report, he was not inclined to favor it.

There was no support for the proposal east of Toronto. Quebec members were against it. Among these A. R. McMaster was notable. He does not like the thought of the government putting up all the money for farm credits and thought that it would be better if the government merely supplied enough capital to start banking institutions to do this class of business, the remainder of the capital necessary being provided through private enterprise.

W. C. Good, of Brant, gave the proposal strong support, and he was the only Ontario member who did. Some of the western members, however, went against the proposal on the vote, on the ground that measures be taken at this time would not help the situation much, and that no harm would result if there was delay until a permanent scheme could be evolved.

IMPERIAL BANK

The Imperial Bank announces the following staff changes:—J. Vereker, formerly acountant, Portage la Prairie, Man., has been appointed accountant at Brandon. M. E. A. Marshall, formerly teller, Portage la Prairie, has been appointed accountant, Portage la Prairie. A. E. Phipps, general manager, has recently returned from a trip to the Pacific Coast, visiting the majority of branches in Western Canada. Mr. Phipps was accompanied by his secretary, H. P. Baker.

Can Set Off Deposits Against Notes Held

When the Home Bank suspended payment the Tecumseh branch held joint and several promissory notes of $1,000 and $400 against Henry Robinet and Victor Robinet of Tecumseh. These were due in September 14 and October 22, 1923. When the bank suspended payment on August 17, 1923, Henry Robinet had $301.95 to his credit in deposits and Victor Robinet $993.46. The liquidators sued the two men on the promissory notes. Mr. Justice Mowat states the defendants are entitled to have their credit balances set off against the notes.

DEPOSITORS MAKE STRONG DEMANDS

Have a Strong Lobby at Ottawa and Are Using Political Pressure on Government

From Our Own Correspondent.

Those who look for prorogation of the House during the next two weeks do so on the belief that the Government will announce a satisfactory policy on the recommendation of the banking and commerce committee that the Home Bank depositors have a moral claim to compensation for losses. If the Government should fail to accept the resulting responsibility, it is quite probable there will be a fight, for the depositors are meeting with much support in the lobbies. They have quite a lobby working in their interest.

Some members are asking where is the money to come from, for revenue is slipping behind, with little chance of the losses being made up. The impression is getting around that possibly this may be a lean year, this impression being made the stronger by the opinion that the depression existing in the United States is now beginning to be felt over here.

RADICAL BANK ACT CHANGES OPPOSED

Other Amendments go the Way of That Proposed for Central Reserve Bank

From Our Own Correspondent.

OTTAWA.—Some of those who are active in championing the interests of the Home Bank depositors are disappointed over the fact that no provision has been made for them in the supplementary estimates. It is, however, pointed out that failure to make such provision in the "supplementaries" is not a certain indication that nothing will be done this session. During almost every session "further supplementaries" are brought down, and there is no reason why this should not be done this session, if the government proposes to make further financial provisions.

Save those relating to bank inspection, very few other amendments to the Bank Act will get through the House. The action of the House in rejecting the report of the banking and commerce that the scope of the order of reference be enlarged so as to permit of it investigating and reporting on the establishment of a central reserve or central bank, is an indication of the way opinion inclines towards other proposed changes.

Whatever further opinions the House has on banking and matters relating thereto will be confined pretty much to an expression of views on the reimbursing of the Home Bank depositors. This is a concrete matter, in which the man of practical experience can hold his own with the person most deeply versed in the theory of finance.

New Bank Inspector to Have Wide Powers

OTTAWA.—According to a statement in the House, by Hon. J. A. Robb, acting minister of finance, the new government bank inspector in going into any head office would take over the entire assets, as at present did any bank inspector on going into a branch bank. The form of audit under the legislation of 1923, he continued, was a very efficient one, but the government had concluded that there was need in Canada of some scheme of government inspection. Evidence so far produced in the Home Bank inquiry had shown that there had arisen occasions on which an inspector might have acted with great good to all concerned. There was a very wide demand, he thought, for bank inspection by the government.

Staff Gossip

The Bank of Commerce in Dashwood has been closed, and the manager, Mr. Rutherford, will move to the Exeter branch to assist M. C. Complin.—The Beacon Herald, Stratford.

* * *

At the Kiwanis Club luncheon last week, Mr. A. Laurie, manager of the Bank of Commerce, gave a very interesting address on "Banking and Bank Loans."—The Herald, Hanna, Alta.

* * *

The appointment of J. Wilfrid Gaudet, for the past four years accountant in the Provincial Bank of Canada here, to the position of manager of the bank's branch at Rogersville, Kent County, has just been announced.—The Times, Moncton.

* * *

Gordon Fox is entering the service of the Bank of Commerce in this city, Mr. McNab being transferred to a Vancouver branch of the bank. Mr. Birch, of the Bank of Montreal staff, has also been transferred to the coast, his place here being taken by Mr. Schofield, of New Westminster.—The Progress, Chilliwack.

SMALL COUNTRY BANK GIVES AID TO STOCK RAISER

Nebraska Institution Devotes Over $5,000 Annually to This Service

By DAN V. STEVENS,
President, Fremont State Bank, Nebraska.

Attending the annual meeting of the Dominion Mortgage and Investments Asociation, at Winnipeg, I was impressed that the mortgage loaning institutions are seized of the fact that their business as lenders does not simply consist of collecting the interest. They have come to recognize that they are, in effect, the partners of the borrower and that it is their business to assist him to make the profits from which interest can be paid and the principal repaid in due course. In the United States many of the banks have accepted the obligation of assisting farmer borrowers to make money. The following article tells how a small bank in Nebraska spends over $5,000 a year in live stock service. There is something here for Canadian banks to consider.—J. W. T.

We have a very small country bank, of course, and our resources are not large enough to affect materially the general agricultural situation. However, in this community the interest in dairying and livestock feeding has probably quadrupled since we began the present method of generous treatment of farmers.

Two years ago we put a service department in this bank, headed by Mr. Little, a graduate of the Agricultural School, and a man widely experienced in farm work. We took this step for the reason that there was no one competent in the bank to treat agricultural subjects or to treat intelligently the problems of the farmer. Mr. Little's duty now is to devote his entire time to the farmer and his interests, by driving from day to day among the farmers, making surveys of their conditions, co-operating with them and examining their problems together.

Through this method of treatment, we have been able to render the farm interests of the neighborhood a deal of service.

Of course, it is costing the bank some $5,000 or $6,000 a year. That we donate absolutely to the community without charge. His instructions are to serve the people in every useful way possible.

Of course, two years isn't sufficient to prove the wisdom of this policy, but at any rate we are serving, but whether or not it is direct to our mill is a question yet to be ascertained. We hope, however, that our prosperity will be reflected in the general prosperity of our constituency.

Now as to the special matter, of which you inquire, viz., how do we make our cattle loans.

First, we ascertain whether or not a farmer is fitted to handle the enterprise he is proposing to enter upon. We decide that question ourselves by ascertaining the amount of feed he has, the shelter and what his financial conditions are. If the applicant has plenty of feed and has the reputation of being a good feeder and an industrious man, we will loan him the entire cost of his cattle, taking a chattel on the cattle and his feed. On the other hand, if a man has no feed and hasn't a reputation of being competent, we would not take him on at all, because we would not endanger the solvency of the bank by making loans that are hazardous. We take some considerable risk, of course, by loaning a large sum of money on feeding cattle with only the margin of safety of the feed to secure the bank. However, we have felt that we were willing to take that risk when we have a man here to check and follow the matter up from week to week carefully, which he does.

Second, we have confined our policy to loaning money to men, who haven't a wide margin of credit, to the business of feeding calves rather than matured cattle. We have considered that business a great deal less hazardous, as a calf is bound to grow into money as the months go by and there is a wider range of marketing period than there is with matured cattle.

Weekly Bank Clearings

(In comparison with same week last year).

Eastern Cities	July 5, 1923	July 3, 1924
Halifax..	$ 3,229,891	$ 2,601,119
St. John	2,720,629	1,983,211
Moncton	770,541	776,195
Sherbrooke . ..	883,584	948,801
Quebec	6,678,162	8,472,352
Montreal	113,595,044	107,757,959
Ottawa	7,608,498	5,990,283
Kingston	901,568	899,237
Peterborough ..	803,946	823,227
Toronto	95,327,939	111,847,351
Hamilton	6,680,970	4,964,078
Brantford	1,170,995	554,500
London..	3,375,971	2,784,688
Kitchener	983,056	723,926
Windsor	2,879,956	3,014,523
Total, East . ..	$247,610,750	$254,141,450

Western Cities	July 5, 1923	July 3, 1924
Fort William ..	$ 941,269	$ 639,802
Winnipeg	35,626,388	51,104,020
Brandon	609,626	559,615
Regina	3,236,621	3,054,137
Saskatoon	1,383,925	1,426,430
Moose Jaw	1,418,926	1,088,334
Prince Albert ..	337,419	350,637
Lethbridge	861,645	444,465
Calgary	4,126,213	5,898,809
Edmonton	5,478,252	4,309,267
Medicine Hat ..	423,548	365,469
Vancouver	16,934,836	15,338,438
N. Westminster	685,992	732,280
Victoria..	2,087,393	1,917,394
Total, West . ..	$ 74,147,053	$ 87,229,097

RAPID TURNOVER OF BANK CAPITAL IS BEING SHOWN

Effect of Changing From Bank Clearings to Debits

By A. B. BARKER,
Manager Toronto Clearing House.

During the war the figures showing the total clearings at the various clearing houses in the United States showed great and steady increases and many American papers, chiefly in the west, hailed them as evidences of steadily growing trade. In reality the increase is due largely to the steady decline in the purchasing power of the dollar, but this did not enter into their calculations, and when the increase in the value of money, together with a falling off in the volume of trade, caused a decline in the clearing totals, there was a general reluctance on the part of manufacturers to publish the figures.

A new system was then devised by which total bank debits to individual accounts took the place of clearing house figures as a basis of comparison. Under this system the totals and cheques charged against bank accounts at clearing house centres are given. The same method is now in use in Canada, the totals of cheques charged to individual bank accounts are reported to the Dominion Bureau of Statistics, and published by it.

Comparisons which were impossible under the old system may now be made, but, as the figures of clearing house centres only are available the results are to that extent incomplete. For purposes of comparison year by year it is doubtful whether they will be any more accurate than the former figures. but it will be possible to compare more accurately the actual volume of trade in one centre with another. This could not be done by the clearing house figures, as they included cash and bank settlement drafts, and were affected by any reductions in the number of banks in the clearing house.

Shows the Turnover

In one particular the new method will be of great value, in that it shows very clearly the rapid turnover of bank funds. Comparing the total debits month by month for the current year with the deposits, the debits from January to April, inclusive, average 120 per cent. of the total deposits. This indicates that each day at least 5 per cent. of the deposits both demand and notice are in active circulation. This active turnover supplies an additional argument, if one were needed, that bank funds are not intended to finance capital expenditure or business ventures likely to be long in completion. Funds for these should be obtained from organizations specializing in long term credits. The resources of these do not, like the banks, come from deposits repayable on demand.

Dr. Tory, of the University of Alberta, who has investigated the various theories of farm credits very thoroughly, made this clear in his evidence on this subject before the House Committee in banking and finance. He stated that while loans for farm operations which were to be repaid from the sale of farm products were legitimate banking transactions, advances for the purchase of land and machinery, which were capital expenditures, could not be expected from banks, but must be had from organizations formed for the purpose. These would obtain funds on conditions which would permit long term credits for such purposes.

RAND DIVIDENDS 1924

Dividend returns of Rand Gold Mines for the first half of 1924 shows eighteen increases in dividend, six of same distributions as for corresponding half-year, including the Brakpan—which was a disappointment to shareholders—and only two cases of diminution in dividend—the Langlaate Estate and the Witwatersrand (Knights) Gold Company both Barnato companies.

Exchange

The only factors of interest in the foreign exchange markets during the week were a further slight recession in some of the European exchanges, notably the Italian, a marginal reaction in South American currencies as a result of the revolution in Brazil, and a further improvement in the position of the Canadian dollar.

The Brazilian milreis which has a nominal par value of 32.45 cents and which has not been quoted above 12.15 so far this year, receded to 10.37 in New York, and its influence was felt slightly on the currencies of the neighboring republics. As the revolt is not considered to be very serious, the unfavorable effect on the exchanges is expected to be only temporary.

The Canadian dollar has been reaching new highs very close to par. In addition to the factor mentioned last week, the cheapness of money in the States, another factor is the heavy grain shipments out of Canadian ports, and the consequent accumulation of Canadian dollars.

NEW YORK FUNDS

	High	Low	Last Year High	Last Year Low
July 3 ..	1 1-16	1	2 15-32	2 5-16
July 4				
July 5 ..	29-32	7-8	2 1-2	2 7-16
July 7 ..	7-8	13-16	2 9-16	2 1-2
July 8 ..	3-4	11-16	2 3-4	2 5-8
July 9 ..	25-32	23-32	3	2 3-4

STERLING, FRANCS AND LIRE

	Sterling Demand	Francs Demand	Lire Demand
July 3	4.33¼	5.12	4.29½
July	...	...	...
July 5	4.32⅞	5.02	4.26¼
July 7	4.33⅜	5.15	4.25¾
July 8	4.33½	5.12½	4.27
July 9	4.33¾	5.05¾	4.25½

Disposing of Business Bores

It is said that Henry Ford gets 3,000 letters a day from people asking him favors. Every big business man finds his correspondence cluttered up with letters from queer inventors, charity seekers and others, who think they have a message for him. It is easy to deal with the letters. It is not as simple a matter to deal with callers. Busy men, with wide interests, have a problem in dealing with people who could take up their time with unimportant matters or who would take up too much time with things that have the element of merit in them. One way of preventing the waste of time in interviewing callers is to have a battery of secretaries to act as buffers; to "shoo" the visitor away unless his message is important or to tell him if he is granted an interview, to present his case quickly and then leave.

It is surprising though, how many big Canadian business men open their doors freely to all visitors. There is one man in Montreal, connected with a dozen enterprises and one of the busiest of the captains of finance of Canada who makes it a rule to see every man who comes to his office. His secretary may take in your name, but that is a mere formality. You are sure to be received and with a smile and a handshake. But the moment the interview becomes tedious or you have presented your proposition or you begin to impose upon this business man you find yourself pleasantly saying "Good morning" and walking out. You have yourself terminated the interview, you think. As a matter of fact you have been told to leave without knowing it. By a gesture, by a phrase or two you are made to feel that it is time to go. It is all over in a few minutes; you have stated your case and the big business man has not wasted his time.

Keeping the Proper Distance

There is another man who has adopted an ingenious expedient for shortening interviews. He has a chair fastened firmly to the floor several feet from his desk. It is the only chair in the room. Your host bids you sit in it. You state your proposition and he listens. But you cannot get intimate because you can not move that chair one inch closer. It may be that you have come with a confidential plea for help of some kind. You had intended to whisper it in the ear of your host. You cannot do it. You have to tell your mesasge loudly and firmly to get across that intervening space. The chair nailed to the floor is the most effective possible way of dealing with sponges and bores. Rather than shout your plea for help you get up and go, making perfunctory excuses for having come. But if you have faith in what you have to say a few feet makes no difference.

Even that chair is better than none at all. There are many Canadian business men who decline to have any chair in their office but the one they sit upon themselves. A man standing up cannot carry on a conversation indefinitely. He gets restless and wants to leave. The absence of a comfortable chair for the visitor makes him punctual in going.

When They Don't Look Up

Another expedient adopted by some business men in dealing with callers they want to get rid of in a hurry is to say, "All right, go ahead with your story" and then to proceed to sign letters, read correspondence or do anything but appear to be listening. It is most disconcerting to the poor visitor but most effective in getting rid of unwelcome guests.

The hardest type of business man to deal with, though, is the type we might call the "counter man." He has a beautiful big private office furnished with chairs a-plenty, but he never invites any one but intimate business friends into it. If another visitor is announced he comes out of his office and talks to the visitor across a counter outside. Twenty inches of flat oak is an effective bar to intimate presentation of a proposition, especially if half a dozen other salesmen, visitors and other folks are standing around. One of Canada's biggest industrial captains is a "counter man." The writer once made certain of an intimate conversation in his private office by beginning to discuss a certain matter that the business man preferred not to have widely talked about. There were several people standing around. An invitation inside interrupted the opening words of the conversation.

Putting it Over the Boss

This brings to mind an incident concerning a Toronto lawyer who had the habit of making his visitors and clients wait outside his office for several minutes, while he was busily engaged in some simple task. He did this, perhaps egotistically, to impress them with the importance of his work and his desire not to be disturbed.

One day a friend of his called and was told that Mr. Jones was very busy and could not see him for a while. Looking through the open door to Jones' office the visitor saw that Jones was not engaged with any one else. He sensed that he was being "stalled."

The visitor leaned down and talked to the stenographer in a low voice for a minute or so. He was talking about the weather or some other unimportant matter. Then in a loud, clear voice he said, "I'll tell you another story about old Jones."

He was called into Jones' office that minute.

Pacific Burt Company, Limited

Report of the Board of Directors to the Shareholders for the Year Ended March 31st, 1924

The Directors present the following Report, showing the results for the year ended March 31st, 1924, together with Statement of Assets and Liabilities:

Statement of Profit and Loss and Surplus

Profit on operations for year, before providing for depreciation, etc.		$ 225,866.83
Deduct:		
Provision for depreciation of plants	$ 59,821.73	
Written off Patents	12,552.44	
Contributed to Employees under By-law No. 9	4,000.00	
		76,374.17
Net Profits for year, before providing for Federal Taxes		$ 149,492.66
Deduct Dividends:		
On Preference Stock, Nos. 51, 52, 53 and 54 at rate of 7 per cent. per annum	$ 45,279.50	
On Common Stock, Nos. 26, 27, 28 and 29 at rate of 6 per cent. per annum	39,189.00	
		84,468.50
Balance of Profits		$ 65,024.16
Surplus brought forward at 1st April, 1923	$ 148,879.35	
Less Federal Taxes paid on previous year's earnings	18,155.31	
		130,724.04
Surplus (subject to Federal Taxes) carried forward		$ 195,748.20

A new record was established in the amount of goods manufactured and shipped to customers.

The usual liberal transfers have been made covering depreciation of plant and machinery and amortization of patents.

The Company's business continues on a practically normal basis, notwithstanding that general business conditions are less favorable.

By order of the Board,
S. J. MOORE, President.

Statement of Assets and Liabilities March 31st, 1924

ASSETS

Capital Assets:		
Real Estate and Buildings	$ 141,812.62	
Plant, Machinery and Equipment	622,620.99	
		$ 764,433.61
Good Will and Patents		877,986.80
Current Assets:		
Merchandise	$ 277,644.64	
Accounts and Bills Receivable, after providing for bad and doubtful debts	316,101.79	
Cash at Banks and on Hand	58,590.77	
		652,337.20
Prepaid Expense		24,304.64
		$2,319,062.25

LIABILITIES

Capital Stock:		
Authorized and Issued:		
Preference Stock—6,458 shares of a par value of $100.00 each	$ 645,800.00	
Common Stock—6,542 shares of a par value of $100.00 each	654,200.00	
		$1,300,000.00
First Mortgage 6½% Sinking Fund Bonds, Due 1937		350,000.00
Current Liabilities:		
Accounts and Bills Payable	$ 178,864.97	
Bond Interest	11,375.00	
Dividend on Preference Stock, Payable April 1st, 1924	11,301.50	
Dividend on Common Stock, payable April 1st, 1924	9,813.00	
		211,354.47
Reserve for Depreciation		261,959.58
Surplus (subject to Federal Taxes)		195,748.20
		$2,319,062.25

At the Thirteenth Annual General Meeting of Shareholders, held on July 8th, 1924, the President, Mr. S. J. Moore, reviewed the operations of the Company for the previous year.

The Board of Directors was re-elected, as follows: S. J. Moore, A. E. Ames, H. T. Scott, H. P. Brown, F. N. Burt, James Ryrie, C. W. Colby, Ph.D., E. G. Baker and S. J. Moore, Jr.

The officers were re-elected as follows: S. J. Moore, President; A. E. Ames and H. T. Scott, Vice-Presidents; H. P. Brown, General Manager and W. N. McLeod, Secretary.

THE FINANCIAL POST

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Vice-President—HORACE T. HUNTER.
Manager—GORDON RUTLEDGE.
Editor—J. W. TYSON.

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THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

TORONTO, JULY 11, 1924

STUDYING PUBLIC OPINION

BUSINESS and financial organizations in dealing with the public can learn something from the big retail stores. Not all the stores agree that "the customer is always right," but all of them do recognize the need of making concessions to the customer to hold his good will.

For many months past the public has been expressing its lack of confidence in the Canadian banking system, but the Canadian Bankers' Association and similar organizations have not been following out policies that would regain public confidence; policies perhaps involving concessions to retail public good will. The Canadian Bankers' Association has consistently fought government inspection of the banks and it is reported that a great deal of money has gone into the campaign against government inspection. Now the country has government inspection of banks; the banks are out their campaign funds and have failed to hold the good will of the public and parliament. It is doubtful if the C. B. A. will be consulted much in the working out of the details of the inspection plan.

Public sentiment ought to be recognized at all times. Even if the public is being misled by false gods, even if a form of financial insanity has seized the country, it ought to be recognized. This will not necessarily involve the granting of everything the public demands but it will involve education along broad lines, and a spirit of information, and if it is sound business, concessions to solve the problems that the public feels.

A year ago THE FINANCIAL POST was criticized by the Montreal Gazette for urging the banks to meet quickly the situation caused by the Merchants and Home disasters. The Gazette took the stand that bankers should ignore the situation. Technically the Gazette was right in asking the bankers to ignore an inflamed public opinion. Living in an atmosphere of sanity where common sense and sound business rule, the Gazette felt that the banks were right and that was enough. But the Gazette was not in touch with public sentiment from coast to coast. Results have since proven that it would have been wise for the banks to have taken action to regain the confidence of the country.

SERVICE-AT-COST

EVEN though difficult, will the reader try for one moment to consider the position of a big industrial concern operating from the first of the year until September and then finding that it must face a ten per cent. increase in the prices of raw materials and must pay this advance on all materials used from the beginning of the year. Take one of the big milling concerns, for instance, operating on a close profit and then in September having to pay an advance of 10 per cent. on all the wheat used from the first of the year. It would mean ruin for the company concerned. But, of course, such a situation would be impossible in a business concern—because it is in defiance of all principles of business.

And yet we find that the Ontario Provincial Hydro Commission setting one price for power to the Toronto and other municipal commissions and then increasing the figure before the end of the year. This, despite the fact that as hydro service is service-at-cost there should be no surplus to be drawn upon to make up the difference. As a matter of fact it means on the face of it, that power was sold from the first of the year until the increase was made in September below cost and that the amount will have to be made up by increased prices above service-at-cost during some other period.

The thirteenth annual report of the Toronto Hydro Electric Commissioners points out: "At the beginning of the year the governing rate was $22 per horsepower but in the month of September the provincial commission advised your commissioners that the cost of the power would be increased to $24 per horsepower FROM THE BEGINNING OF THE YEAR." This price compares with a price of $14.50 per horsepower which was the standard rate for 1919—an increase of considerably better than 50 per cent. in four years—while the percentage of gross revenue paid for power has risen from 30.7 per cent. in 1921 to 42.6 per cent. in 1923.

There is given here an indication of the way in which hydro charges are being advanced as well as unbusinesslike methods in regulating prices. Those who appreciate the enormous proportions of the Hydro enterprises and the Ontario Government's financial responsibility therefor, cannot view this situation without apprehension.

GETTING AT THE FACTS

IN ITS issue of June 27 THE FINANCIAL POST carried a story under the headline "Newsprint output reduced in May." Since then, various papers have carried stories on the same subject and one sample of the headlines put over these stories is as follows: "Newsprint production higher in May."

Recalling the ancient doctrine that "Figures don't lie but liars do figure," the divergent analyses of the same set of figures indicate one of the difficulties the average investor is up against. A great deal of propaganda is being fed the newspapers on newsprint, evidently designed to bolster up certain stocks. The propaganda, by the way, is not coming from the paper companies themselves. Recent statements appearing in papers all over the country that the newsprint market was firm and strong, looked ridiculous in the face of a subsequent drop in the price of newsprint and a curtailment of production at many mills. Investors must be keen to sift the truth from the chaff in investment information.

Having referred to one specific case an explanation might be made. The statement of THE POST that newsprint output was reduced in May was based on the fact that the average daily production of Canadian mills showed a decline in May from the figure of April and preceding months. The statement that newsprint production had increased in May was based upon the equally certain fact that total production in May was greater than in May, 1923. THE POST had all the figures but felt that the important feature of the moment was that the mills were slowing down production.

EDITORIAL NOTES

IN VIEW of the importance of having a competent, qualified practical banker to organize the government inspection of banks it is to be hoped that the government will realize that the public interest is so important that it will be good politics to have a good man in the new office.

* * *

AN incident illustrating the speed of mixed farming in Western Canada is recounted by A. E. Phipps, general manager of the Imperial Bank, who recently returned from a tour of the West. A farmer told him that there were now half a dozen farmers in his neighborhood milking four to six cows a day, who two years ago had declared by all that was powerful that they would never touch a teat.

* * *

THE charge that customs officials at Sarnia quit work and closed the office at the usual time on Saturday night last when there was a mile of tourist cars waiting entrance to Canada, should be investigated. When official red tape is carried to the extent of committing a national discourtesy and at the same time tourists bringing money to be spent in this country are prevented from entering, it is high time that something was done.

* * *

WITH a $40,000,000 investment in street railway transportation facilities hardly completed, Toronto's citizens are already beginning to wonder if the system is not out of date when they hear of the proposition in New York to abolish all surface rail service in favor of the motor bus. It is estimated that it will require 25 years for the Toronto system to pay for itself even at the 7 cent fare. Will Toronto citizens be satisfied with the present service, efficient as it now is, for the next quarter century?

* * *

FARM equipment manufacturers of the United States, through their national association, are issuing a series of standard farm practice booklets to illustrate the equipment used by the best farmers in the country in obtaining profitable crop results. The data has been obtained over the signatures of the farmers themselves as well as from leading universities. The idea is one which might be effectively used in Canada to show to the farmer that the value of equipment is in the returns to be gained rather than in the price, even though the latter may be slightly higher because of the tariff. When the farmer is convinced that he can buy equipment and use it at a profit there will be less discussion as to the price paid.

Sir Charles Gordon Brought Prosperity to Textile Firms

He Started Life at Humble Salary of $5 a Month, Went Into Business for Himself and Was Picked to Handle One of the Biggest Jobs in Industry

By FLOYD S. CHALMERS.

SIR CHARLES GORDON

At twenty-three Charles B. Gordon organized his first company. His total business experience consisted of five years in the warehouse and office of a drygoods firm but he made such a success of the company that he inaugurated when he went into business for himself that he was picked a few years later as the only man who could put the bankrupt textile industry of Canada on its feet. Gordon was unknown to the public in 1904 when he was suddenly brought into the limelight by the Bank of Montreal and asked to form the Dominion Textile Company. Since then he has become one of the leading figures in Canadian finance and industry.

Charles Gordon's father was a fairly successful wholesale merchant and young Charles could have stepped into a good business and an assured future. But it was not the Gordon way of doing things and Charles had to get out on his own and show what was in him. And it might be added here, by the way, that the same thing is happening to-day. One of Sir Charles Gordon's sons is hard at work at lowly tasks in the Dominion Textile Company's office at an age when most rich men's sons are having their fling or attending pink proms at the university.

Started to Work at $5 Monthly

Coming out of high school, Charles Gordon went to work in the wholesale drygoods warehouse of McIntyre, Son and Company in Montreal. His salary the first year was $60—not $60 a month but $60 a year. The second year he was raised to $100 a year or $8.33 a month and the third year to $150 a year or $12.50 a month. It was all he got. There were no bonuses or commissions.

Two or three years after he was drawing that munificient wage of $12.50 a month he was a captain of industry on his own account. He hankered to get into business for himself; looked over the lines in the warehouse to see what he should manufacture and decided on shirts. He organised the Standard Shirt Company, put in a few hundreds of money he had saved, got his friends and relatives to invest a little more and proceeded to manufacture and sell shirts. The company was successful. It grew very rapidly. Gordon was cautious in spending money and enthusiastic in going after business. He operated that company until 1904. Not many years ago it disappeared with other companies in Canadian Converters, but not until he had made of it a big factor in the converting industry. After Sir Charles had organized Canadian Converters this company went through a long period of ups and downs, but eventually, as with all the Gordon companies, it came out strong and successful.

Called in by Textile Industry

Sir Charles Gordon made a success of the Standard Shirt Company, a greater than ordinary success. He attracted the attention of big men, including the directorate of the Bank of Montreal. And when the textile industry of Canada started to drive itself on the rocks of insolvency twenty years ago the Bank of Montreal sought out Gordon from his comparatively obscure work and asked him to put the industry on its feet. The bank had millions tied up with textile companies. In Dominion Cottons, the Bank of Montreal was interested to the extent of nearly $5,000,000 with its chances of recovering its loans not very promising. A New York banking house was offered the company. It was one of the biggest and most enterprising of the banking firms in Wall Street. It sent its men up and these investigators made a cursory examination. Back came the word to the Canadian bank "We wouldn't take the company as a gift."

Yet this was one of the biggest and best of the textile firms. The industry had expanded too rapidly. Foreign competition was strong. Competition between the companies in Canada was even keener and they were all engaged in the process of knifing each other. Each mill was trying to make a complete line of textiles. Without concentrated production on any one line costs were high and profits low. There had been a succession of unprofitable years for most of the cotton textile companies and their treasuries were low.

Gordon Steps Into the Arena

This was the situation that Gordon stepped into. He merged the leading companies and soon had the whole textile industry in a flourishing condition. Only a million dollars of new capital went into the companies. Success was achieved without resort to new artificial means. The textile industry of Canada has had a lot of consideration in tariffs and there is no doubt that it could never have been built up without protection. But it ought to be recorded that from the day Sir Charles Gordon took on the job of running the textile merger there has been almost a continuous succession of cuts in the tariff on textiles coming into Canada. Gordon made a greater success of the textile industry than has been achieved by industries with twice as high tariff protection.

In the years that he was building up Dominion Textile Sir Charles Gordon cut expenses to the bone. People used to say that "Textile" was a slave driver; that it did not pay its executive officers what they were worth. Gordon was paying all that the company could afford. He knew that profits were being made but he also knew the dangerous position the whole textile industry and his company in particular were in. Given two or three unprofitable years the whole structure would topple over. So he built strength into Dominion Textile Corporation and the heads of the other textile companies followed suit. The shareholders got small dividends but the money went back into the company to add new equipment and to provide working capital. Gordon did not stint other folks and pay himself a fat salary. I happen to know what his salary was as general manager of Dominion Textile Company and I know that for the first fifteen years of the company's history his salary was less than one of his first class salesmen could earn. It would hardly have paid the yearly expenses of a rich man's son at college.

Company Reaches Its Goal

In later years when the company was past the period of uncertainty, when reserves had been built up and prosperity was assured, higher salaries were paid, dividends were freely disbursed and the company's true position began to be recognized. The stocks that Gordon recommended to his friends at $10 per share went to over $200.

Hardly a year after he had formed the Dominion Textile Company and started it off on its career of usefulness and success Gordon got control of Penmans for himself and his group. John Penman had built up at Paris, Ontario, and some other centres in Canada one of the most remarkable of Canadian industrial companies. Penman's produced a product of excellent quality that had an enviable reputation in Canada. The name Penman's on undergarments was worth millions in goodwill. Sir Charles Gordon did not particularly want the company. But the property was for sale—at a price—and a group who were after it asked Gordon to buy it for them. John Penman steadfastly declined to sell at the price offered. The final acceptance by Penman of Gordon's offer came with dramatic suddenness.

Gordon went to Winnipeg on business. He went to the office of the local manager of the Dominion Textile Company and the two sat down at a desk to talk over business. They had hardly started to talk when a messenger boy brought a telegram from Gordon. Gordon read it and turned to his manager-

"Can you come back to Montreal with me to-night?"

"But you just got in this morning?" protested the surprised manager.

"Look at the telegram and then pack your duds" Gordon told him, rising to go to his hotel. The manager read the telegram. It said, "Penman will sell."

Gordon paid a big price for Penman's—over $150 a share on the then outstanding stock but the company has made many millions of dollars since. Both Dominion Textile and Penmans have earned much more than their total capitalization in dividends that have gone back into new plant and equipment in addition to the large dividends that have been

(Continued on page 15)

A. D. Langmuir — An Outstanding Figure in Mortgage Field

To incessant hard work and an insatiable pursuit of a still better grasp of the most minute details with regard to the business of his company in every part of the country, may be attributed the success of A. D. Langmuir, manager of the Toronto General Trust Corporation, whose death occurred last week. From his father who organized the first trust company in Canada in 1882 Mr. Langmuir appears to have inherited his financial ability. He entered his father's company, which was then called the Toronto General Trust Company, a month after its inception and gradually worked up from the bottom until he understood every detail of the business. On the death of his father, he was chosen general manager by the unanimous vote of the directorate. The assets of the company were then $67,421,099. Through sound judgment, conservative administration—Mr. Langmuir was no speculator—and a splendid grasp of financial matters, the company extended across the country from coast to coast until in 1923 the total assets exceeded $137,930,000.

Hard work was probably the greatest factor in Mr. Langmuir's financial success, but he had another very valuable asset—the qualities of a real executive. Mr. Langmuir appeared to be able to pick the right man. He trained and had with him a very efficient staff, especially his assistant general manager, W. G. Watson. From the staff he derived valuable assistance and co-operation, and this was a large factor in the progress made by the company.

In his knowledge of Canadian conditions affecting his company, Mr. Langmuir had few equals. He was not satisfied to detail an officer to new fields, but went personally to all parts of the country where new business was contemplated, and studied the situation first hand. He was particularly careful to familiarize himself with the various legal decisions which had a bearing upon trust matters under his charge.

One of the interesting achievements of Mr. Langmuir was the formation of the Dominion Mortgage and Investment Association, an organization comprising the Trust, Loan and Insurance companies of Canada. Having been unanimously elected the first president of this association, he contributed so largely to its success that he was later chosen honorary president for life.

At the first annual meeting of the association, 26th of May, 1917, Mr. Langmuir explained that, briefly, the object of the association was to maintain and create confidence between lending corporations and borrowing public, there being a need for this, not only in Western but in Eastern Canada. He continued:

"It is probably because of recent legislation in the West, especially in connection with administration of the Seed Grain Advances and Rural Credits, that particular attention had been centred upon developments there. It should be further kept in mind that in the East there will arise occasions, in the future as there have been in the past, when an association such as this could be extremely useful in maintaining and creating that confidence which it is extremely desirable should exist between lenders and borrowers. In this connection it may be of interest to note some remarks prepared by the representatives of Western mortgage loans associations as conveyed in a memorandum setting forth the mortgage investor's point of view for the consideration of the agricultural representatives of that important body, the Joint Committee of Commerce and Agriculture, and submitted to that body on July 28, 1916:

"'Twenty-five years ago,' this memorandum states, 'mortgage companies were able to conduct their business under long established and familiar laws, the cost of effecting loans was very moderate, and in cases where it became necessary to bring property to to sale or foreclose a mortgage this could be done with comparatively little expense and without necessary delay. The relations existing between the borrowers and lenders were much more intimate and cordial, and the lending companies were familiar with the circumstances of their borrowers. It was not unusual in those days for companies to advance seed grain and to give assistance in various other ways to borrowers who had met with misfortune. There was more of the feeling of community of interest, the farmer furnishing the labor, and the companies the capital necessary to obtain the results desired by both parties. Of course there have always been isolated cases of hardship, and doubtless this will continue as long as there are debtors and creditors, but, on the whole, the situation was reasonably satisfactory.'

"Changing conditions, however, require the constant adjustment of regulating enactments to facilitate in every way possible the placing of public savings in the hands of borrowers who will make sound, productive use of them. Much of the legislation of the past few years has not had this effect. It would be, the statement is ventured, to the advantage of the Dominion if the intimate relationship between borrower and lender of twenty-five years ago could, as far as would be practical, be re-established to-day."

Continuing Mr. Langmuir outlined the need for legislative reforms to prevent discrimination against the security of lenders. He also emphasized the necessity for educational work to give to borrowers a better understanding of the causes of higher interest rates, and said:

"The idea common in the public mind at times when agitation against lending agencies is most in evidence is that the lending corporations exact unnecessarily high fees and usurious interest rates upon funds which they handle. It has not yet been fully grasped that the corporations, especially of that class forming this association, are but the agents between a very large lending public composed of hundreds of thousands of small lenders who utilize that agency to place their savings at the disposal, at current rates of interest, of those who can profitably use them. The borrower in mind is the one who desires a small loan to be used for productive purposes, and the one to whom the lending corporations have been of greatest service is the farmer-borrower. He still regards, on the whole, the lending agency as being the absolute owner of the funds from which his requirements as a borrower are met. That the money he obtains is but the accumulated savings of thrifty people not only in his own locality in many cases, but elsewhere, either in the Dominion or abroad, has not been fully impressed upon him. The larger borrowers, as member corporations well know, are fully alive to this fact. They time their borrowings, when possible, so as to take full advantage of easier terms when savings are abundant. It is extremely desirable, therefore, that the borrowing public as a whole should understand as fully as possible the functions of these lending organizations in obtaining funds from those who by thrift are able to acumulate them and to place them at the disposal of those who can use them productively, and thus be of benefit to their country."

The extent to which Mr. Langmuir appreciated the problems which the mortgage associations faced and would face in the future is indicated by the following observations:

"In the exercise of this important function, so essential to the normal development of the Dominion, the corporations which this asociation represents, render an important public service, and if our judgment of what post-war developments may be is correct, the importance of that service will become greater. It will devolve upon domestic institutions to provide the capital which the smaller borrower will require if normal progress of a national character is to be resumed. So far as can be seen there does not appear to be much possibility of any resumption in the course of the next few years of that influx of capital from abroad which was one of the distinguishing marks of the history of the past ten years. In the absence of that influx, our domestic resources will be called upon to a greater extent than hitherto. It cannot be said in performing this important national service that the legislative authorities of the Dominion have afforded encouragement. Taxes have been steadily increased and in addition very flagrant disrespect to the security given for advances has been shown. As already indicated, we believe that some change has taken place in the attitude of the public and of the legislatures towards lending agencies, and it is to be hoped that other disadvantages under which they have been operating will be removed so that the best possible use can be made of the good name which the lending agencies of Canada have built up for themselves."

The association has amply justified the judgment of Mr. Langmuir and others who co-operated in its organization. It has been a very important factor in maintaining comparatively satisfactory relations between mortgagees and mortgagors during a period when credit conditions have been greatly disturbed by both economic and legislative influences.

Wellington Francis — A Good Adviser

"The Good Adviser," is a brief epitaph which would express the feelings of a great many associates in business and clients in legal matters towards the late Wellington Francis, K.C. It was as the clear headed counsellor that he established his connection with a number of important financial institutions in Toronto. His appointment to the presidency of the Standard Bank came as a logical step following the death of the late F. W. Cowan because he had as the latter's adviser made himself so thoroughly acquainted with the affairs of the institution that his fellow directors were unanimously insistent; Mr. Francis did not seek the honor but took office rather as an obligatory service to the institution whose affairs he had studied so closely.

When the late Mr. Francis was a law student his ability was recognised and his associates predicted that he would become one of the country's eminent lawyers. The firm with which he was associated acted for the Canada Southern railway and he was expected to become a brilliant corporation counsel. But those who so predicted did not understand the quality of the man. He was not a fighter; he was an adviser, a negotiator, a diplomat. He was that type of legal doctor who believes that his profession is to prevent his patients from getting sick rather than to participate in brilliant operations to effect cures—perhaps. If there was a way of settling a case out of court Mr. Francis would almost surely find it. Eminently fair, he would open negotiations to the end of adjusting the difficulty and very often was able to convince all parties that there was nothing to be gained by going to court.

It was this capacity to size up a situation, to weigh correctly all the factors and the ability to impart sound advice that led to Mr. Francis' close association with many prominent business men and corporations. To those who sought his counsel the human element was an important factor in their relations. "A big kindly heart, a high sense of honor, a fair judicial mind and sterling integrity—that was Wellington Francis," said one of Toronto's leading business men who had for years been associated with him; and what this man said is echoed by many others.

It was as the adviser rather than the executive that Mr. Francis was appointed to the boards of various institutions. He had the capacity to size up business problems from all sides and to reach a sound decision. He could deal with financial statements with remarkable facility. In addition he possessed an almost intuitive ability to size up people. He was thus able to select men for particular tasks or adjust various tasks to the men available. He never gave orders where he could secure accomplishment by suggestion. And he always preferred to do things in a quiet unobtrusive way which very often left him entirely in the background while others did the work and got whatever glory that might be entailed.

Mr. Francis was born in Toronto in 1848 and was educated at the Toronto Grammar school. He read law with Jones Brothers and was called to the Ontario Bar in 1875, being created a King's Counsel in 1908. He became vice-president of the Toronto Mortgage Co. in 1905; vice-president of the Standard bank in 1912 and president in 1918; vice-president of the Consumers Gas Company in 1912 and a director of the Toronto General Trusts Corporation in 1915.

New Issue

$574,145.86

COUNTY OF WENTWORTH

(ONTARIO)

5% Bonds

Dated April 8th, 1924. *Due April 8th, 1930-1944*

Principal and half-yearly interest (8th April and 8th October) payable at the Canadian Bank of Commerce, Hamilton, Ont. Bonds may be registered as to principal. Denominations: $1,000 and odd amounts.

Subject to Legal Opinion of Messrs. Long & Daly, Toronto.

Financial Statistics

Assessed Value for Taxation $30,504,388
Total Debenture Debt (including this issue) 1,078,817
County population, 33,768 (including City of Hamilton, 154,712).
Area, 269,727 acres.

Schedule of Maturities

Year	Thousands	Odd Amounts	Yield	Year	Thousands	Odd Amounts	Yield
1930	22 x 1,000	180.92	5.10%	1937	31 x 1,000	182.68	5.05%
1931	23 x 1,000	263.95	5.08%	1938	33 x 1,000	741.76	5.05%
1932	24 x 1,000	432.40	5.08%	1939	34 x 1,000	378.85	5.05%
1933	25 x 1,000	654.02	5.07%	1940	35 x 1,000	1,097.80	5.04%
1934	26 x 1,000	936.73	5.07%	1941	37 x 1,000	902.69	5.04%
1935	28 x 1,000	283.57	5.06%	1942	39 x 1,000	797.82	5.04%
1936	29 x 1,000	697.75	5.06%	1943	41 x 1,000	787.71	5.04%
				1944	43 x 1,000	877.09	5.03%

The County of Wentworth is at the western extremity of Lake Ontario, and within its confines are a number of important manufacturing centres, including the City of Hamilton. A part of the county also extends into the fertile Niagara fruit-growing district.

WENTWORTH IS ONE OF THE WEALTHIEST COUNTIES IN CANADA

Note the half-yearly interest, which is not usual in connection with County Bonds. This gives them an additional attractiveness.

PRICE: 99.50 AND ACCRUED INTEREST
YIELDS: AS INDICATED ABOVE

The above bonds are offered if, as and when issued and received by us.
Orders may be telephoned or telegraphed to any of our offices at our expense.

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INVESTORS' INQUIRIES

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

CANADIAN PACIFIC RAILWAY

H. M., Montreal.—Shall I sell my 25 shares of Canadian Pacific Railway?

We do not feel that C. P. R. should be sold. The stock has established itself as the premier Canadian investment, always reliable and likely over a term of years to show you moderate advances.

WINNIPEG ELECTRIC

Subscriber, Montreal.—Would you advise my selling 20 shares of Winnipeg Electric Railway preferred?

While the immediate market action of Winnipeg Electric is uncertain and it is not at all assured that the dividend will be maintained, we feel that over a term of years Winnipeg Electric will demonstrate itself as a sound security. The company is certain to have increasing revenues as it sells more power and this will give greater protection to the dividend. Much power that has been developed has not yet been sold. The company is paying the fixed charges on the capital cost of developing this power without getting a commensurate return. As the power is sold revenues will increase without a corresponding increase in expenses.

MONTREAL FINANCE CORPORATION

L. M., Montreal.—I have recently bought some shares in the Montreal Finance Corporation, for which I paid $65 per share. I purchased 21 shares preferred stock for which I obtained 14 shares of common stock. I have been told that this is a safe and sure investment, and that what money I have put in is liable to increase as time goes on. What is your opinion of this investment?

With the management it has Montreal Finance Corporation should be able to succeed. It is likely that in the course of a year the company will be able to build up the financial position that will enable it to earn fair dividends.

Our only criticism of the stock is that the price asked is rather high and reduces the possible return to the investor to less than he can get on sound and seasoned issues that have a ready market. Montreal Finance Corporation securities are not likely to have as wide and as ready a market as listed issues of larger and more important companies.

ASC INVESTMENT-SERVICE

The Wisdom of Diversity

If there is one thing that experience teaches investors, it is the wisdom of diversifying their investments. This leads to the reflection that at present it is wise to look over one's holdings and consider the wisdom of reducing too large commitments in any one security.

If you give us your confidence in this matter and ask for our advice we will tell you the current market value of your holdings and suggest prudent "trades."

A new issue of "Investment Items" will shortly be off the press. It is worth reading. May we send you a copy? If so, write for it.

Royal Securities
CORPORATION
LIMITED
164 St. James Street
MONTREAL
Toronto Halifax St. John
Winnipeg Vancouver

BRITISH WOOLLENS

F. T., Toronto.—Would like your opinion of British Woollens, Ltd.

British Woollens, Limited, head office C. P. R. Building, Toronto, is capitalized at $500,000, half of which is eight per cent. cumulative preferred stock and the other half common, par value $10 per share. So far the proposition has not progressed further than the stock-selling stage. This venture we would consider quite speculative. There have been several cases where companies of this nature have been organized in Canada and they have not been crowned with great success. A criminal prosecution has been launched in regard to the handling of one such company and this will undoubtedly work against the new companies in their efforts to finance. While they state in their prospectus that their proposed building will be on the corner of Carlaw and Eastern Avenues, we also understand that they have approached Mayor Gilpin, of Wiarton, in an effort to secure an agreement with that town to occupy an advanced woollen factory in that town.

WATERLOO MUTUAL SOUND

Reader, Brechin.—Re Waterloo Mutual Fire insurance Company. The statement has been circulated in this district that the reserves of the above company have become depleted, and some of the policy holders are somewhat anxious as to the standing of the company. We would very much appreciate your opinion, giving us particulars as to their standing, etc.

The Waterloo Mutual Fire Insurance Company is regarded as one of the strongest fire insurance companies doing business in Canada. It is one of a group of cash mutual insurance companies in Western Ontario which has held a strong position for many years. It issues insurance on both the cash and mutual clients, and the record for many years indicates a sound underwriting policy and a careful selection of investments. According to the statement for the year ending December 31, 1923, the company had assets of $1,103,460. Against this there stands only $4,748 of unpaid losses and a re-insurance reserve of $206,003. The statement of receipts and expenditures for 1923 shows a new cash balance of $83,425. The company has a deposit of $100,000 with the Ontario Department of Insurance and is regularly inspected by that Department, consequently, it is safe to insure with.

MONTREAL TRAMWAYS

Reader, Montreal.—Would you advise buying Montreal tramway shares? I am told that this company will soon have another stock issue and that the shareholders will have the right to buy at par.

Montreal Tramways at the present price yields the investor 6 per cent. or slightly less. This is not as large a return as the investor has a right to expect in Canada and, of course, the high price is due to the possibility of another issue of stock shortly to which investors will have the right to subscribe at par in some fixed proportion. Possibly this issue would have been made earlier had not changes been impending in control of the company. It is entirely a speculative proposition whether the new stock will be issued. The chances are entirely favorable to this action but the stock market has discounted the possibility to some extent. But even with a new issue the average net yield would not be much greater than can be obtained by purchasing some of the equally sound securities on the board. We are always prepared to recommend Montreal Tramways but feel at the present time that the high price is likely to mitigate against any substantial profits in the near future. But the prospects of the new issue make it an interesting speculation and at the same time a very sound investment.

CORPORATION

G. C., Ontario.—A friend of ours has invested the sum of $1,700 in the Dominion Financial Corporation, supposed to be dealing in mortgages in Montreal. He has learned that the agent to whom he paid his last payment of $500 has disappeared. Do you know anything about this company? Any information you can give us will be appreciated.

Dominion Financial Corporation was organized to buy first mortgages on Montreal property. The company is rather small and has not a great deal of capital but has managed to earn about 16 per cent. on its invested capital since starting in business close to three years ago. It has fair chances for success if proper management is given and overhead expenses can be kept down.

One difficulty, as we have pointed out many times in connection with these companies, is that the price asked for the stock is usually so high that the investor has but small chance of ever making any substantial profit. In the case of this company $50 common stock is being sold at some additional cost. The common stock represents little more than a speculative possibility ahead of the company. Moreover, there will always be a small market for its shares and the investor who wishes to get out of his investment in a hurry or an estate that must sell will usually find that the stocks will have to be sold at a sacrifice.

GOLD QUILL MINES

G. W., New Brunswick.—I have a letter from Percy Luscombe & Co., mining brokers, offering shares in the Gold Quill Mines, Ltd., at ten cents per share. Have you ever heard anything of this prospect as to whether it had any merit or not?

Gold Quill Mines, Ltd., is capitalized at $5,000,000, with shares of $1 par value, half of which is in the treasury and half has been issued. This company was recently organized to take over the assets and liabilities of the Porcupine Golden Quill Mining Company, which owns three township mining claims in the townships of Ogden and Deloro, along with an additional mine claims adjoining. The latter claims are unpatented but it is the intention, however, to apply for patents on four of them and on the remaining five the assessment work must be completed. This gives the company 340 acres.

The property lies a considerable distance out of the producing area of the Porcupine fields. The section in which they propose to operate is absolutely unproven as yet and you must regard the proposition as a long prospect. As the price of ten cents a share indicates it is quite a gamble. You must consider the proposition also as to whether or not the company will be able to ever make a success of their proposition by selling their stock at 10 cents a share. You can figure out for yourself how much ten-cent stock it will take to make a mine when it requires from $600,000 to three-quarters of a million dollars to bring in a producing gold mine if the company has fairly good luck.

DULUTH SUPERIOR

Reader, Victoria.—From a study of the 1923 statement of Duluth Superior, it seems that they could have paid a 4 per cent. dividend on the common if they had had no arrears of interest to pay on preferred and had not also spent 90 or 100 thousand on development work. Since then I understand there has been some jitney competition which has adversely affected the income, but that does not seem enough to warrant the drop in the price of shares. What is your opinion?

The opinion is held that Duluth Superior should do better from now on. Jitneys did make serious inroads into the earnings of the company. Recently the matter was submitted to a vote of the people and their vote was against the jitneys. It is likely that steps will be taken to immediately regulate this competition. Financial houses in close touch with the affairs of the company express the opinion that it should do better from now on.

Below are figures showing the market range of the stock for this year. You will note that the big drop was in April when the roads improved, which was the time that jitneys started to make serious inroads into the company's earnings. You will also note that this month there has been quite an improvement. This has practically all taken place during the past week or since the announcement of the result of the vote was taken. So you will see that the trend of the market indicates that the shareholders took the jitney competition seriously. You must also remember that part of the decline in this stock was in keeping with the general downward tendency of the whole list.

Quotations, Jan., high 35, low 33; Feb., 34, 30⅜; March 32, 31¼; April, 29, 21; May, 20⅞, 19; June, 26, 20.

Anxious About Howard Smith

Signing himself "An Anxious Shareholder," a Quebec province investor in Howard Smith Paper Mills common stock, writes a letter to THE FINANCIAL POST that indicates that his pseudonym is well chosen. The latest cut in the common dividend of Howard Smith has begun to worry him. He fears that liquidation is impending for Howard Smith.

Here is his letter, in part:

"Among your many readers in Canada and the United States there are, no doubt, a good many shareholders of the Howard Smith Paper Mills, who, like myself, would be interested in having a report on this company. It seems to be going down steadily into the receiver's hands, and it looks very much as if we were going to have another Riordon failure and lose everything we have put in. This would hit some of us mighty hard.

"A few years ago this company's common stock stood at 166 or over and paid 8 per cent. Several years ago this was reduced to 6 per cent., and now we have received notice that the dividend is further reduced to 4 per cent., and from what is said in the letter it looks as if we were in for a further reduction soon. I would like to know what is the matter with this company and whether in your opinion there is any chance of saving anything on our investment.

"We hear a great deal of Howard Smith making speeches all over the country on the tariff question, but this is not attending to the paper business, and we hear that there is more golf and politics in this company than paper.

"It looks as if things had been gone into without taking ordinary business precautions, everything has been bought at the highest figure with the result that to-day they find it difficult to pay interest on bonds and preferred stock, so it look as if there was a mighty poor lookout for the holders of common stock.

"Is it true that no practical paper makers are on the board of directors, and practically no business men, and would this not account for some of the bad management that has been shown?

"I understand that lately they bought out a company in St. Catharines, Ontario, simply to get hold of their customers. Do you think this is good business management? It looks to me as if they could keep on doing that every six months or so. If they have to buy out mills simply to get customers it is a mighty poor lookout for us.

"Is there any way in which a minority of the shareholders could apply to have the company put into the hands of a receiver before everything is gone, or do we just have to sit down and see it go?"

A Reply to These Matters

Other shareholders are probably thinking along similar lines. They will find it worthwhile to keep a number of things about the company in mind.

The statement of the president of Howard Smith Paper Mills made in connection with the common dividend cut indicated that the action was taken to conserve the working capital position of the company. Mr. Smith pointed out that working capital had improved from $921,000 at the end of December last to $1,294,000 at the end of May. This was not a very great margin over the requirements of the trust deed for the last bond issue. This trust deed provided that the company should maintain working capital at not less than $1,200,000 throughout 1924 and should increase working capital by an amount of $50,000 a year until 1930. The company was running pretty close to the wind as regard working capital and it is quite likely that this more than anything else was responsible for reducing the common dividend from 6 per cent. to 4 per cent.

Liquidation Not Near

This reduction in dividend has undoubtedly unsettled many holders of Howard Smith stock. But it is doubtful if there is any real need to fear at the present time that the company is on the verge of liquidation or that the cut in the dividend indicates that it is approaching a dangerous position. When it is considered that the company has been in the midst of construction program for over two years now, during which more than $2,000,000 has been spent on plant and equipment, it will be seen that it has been difficult to maintain working capital and earnings on a satisfactory basis. The company is practically through with its construction work now. The expenditures for the most part have been made to the end of rounding out the Howard Smith plant to get the utmost production at lowest operating costs and to make the company a more permanently self-contained pulp and paper unit. This end having been largely accomplished, the company should be able to make better profits from now on.

It should not be forgotten that profits have been increasing very nicely. In 1921 profits were $613,000; in 1922 $694,000; and in 1923 $773,000. Sales have shown a corresponding increase in each of the past few years. But the shareholders have not benefited directly from the increases due to the large expenditures that have been made on plant. Some criticism may be coming to the directors for having presented their profit and loss statements in each of the past three years in a different fashion, making a comparison of profits from year to year impossible. But the new financing has cleared up a lot of accounts and from now it should be able to present a cleaner-cut profit and loss statement and balance sheet that will enable an accurate analysis of the company's position to be made. From now on there should not be any abnormal depreciation or any inventory write-off. The sinking fund instead of being a variable factor will be a definite amount fixed by the trustees of the new bond issue.

Has No U.S.A. Market

One difficulty in the way of Howard Smith that prevents it having the prosperity that has fallen to the lot of the newsprint producing companies is that it cannot sell its product in the United States, due to high tariff walls. It must depend upon the Canadian market and upon the export market. Howard Smith has gone further than any other mill in developing an export market and now sells about 10 per cent. of its output in other countries. In 1923, Howard Smith exported 1,050 tons of paper as against 60 tons exported in its lines by all other Canadian companies. The market being limited, it is not possible to take one paper machine and run it throughout the year continuously on one class of paper, but continual switch must be made of the machines, thus bringing up costs.

The president pointed out in his recent statement: "While in every respect the manufacturing costs of the company, improved as they have been by the introduction of new classes of paper and the reduction through additions to plant are such as to allow us to meet all competition and normal fluctuations in price, yet, as business conditions for the remainder of the year are still uncertain, your directors require further assurance of the maintenance of your company's volume of business."

It is this uncertainty of business that made the passing of the dividend necessary. The company had done fairly well for the first part of the year and business and profits both exceeded the corresponding period of 1923. After setting aside the estimated amount required for depreciation there was more than sufficient to continue the dividends of 6 per cent. The total earnings available after bond interest amounted to $196,000 as compared with $185,000 for the first five months of 1923.

A Chance to Make Good

Howard Smith seems to have an excellent chance of eventually becoming a powerful and successful concern. There is no doubt it has not reached that stage yet but it is far from being on the verge of liquidation as suggested. To date the company's growth has been satisfactory. The company is looking forward to further increase in sales both abroad and at home, where the Canadian market for high grade papers is gradually being wrested from the United States and British manufacturers, who dominated in the field a few years ago. With increase in sales, the company's profits should, of course, show a corresponding improvement.

The shareholders—it seems reasonable to advise—should hang on to their stock and give the company a chance to demonstrate its real possibilities. They have been disappointed by the reduction in the dividend rate. It is not at all certain that there will not be a further reduction in the dividend rate. At least, the president left the door open in his statement, for he said: "If business continues during the remainder of the year without abnormal recession below the present volume your directors are of the opinion that this reduction will be quite sufficient to meet all the company's requirements."

A lot depends upon business conditions in general in Canada. Depending as it does on the Canadian market Howard Smith must continue to vary in prosperity with the general prosperity of the country.

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CURRENT OPINION

SINCE THE DAYS OF DICKENS

(Hardware and Metal)

We have all read about Mr. Pickwick, the famous Dickens character, and remember how fastidious this gentleman was about his personal appearance. His shoes, in particular, were always well polished. Sam Weller saw to that. In Dickens' works reference is made to the use by Mr. Pickwick of Day & Martin's shoe polish. References to this polish are also made in the works of Carlyle, Bret Harte, George Eliot and Thomas Hood. The company that made it was known all over the world. It was rich and famous. Just recently announcement was made that this firm had failed. In explanation of this the director of the company stated: "We are compelled to take this step—we didn't keep up our advertising." How many other concerns there are which learn the value of consistent advertising, only when it is too late.

A DANGER TO AVOID

(La Presse, Montreal)

From whatever angle the proposed embargo on the exportation of our pulpwood is considered, it is well to adopt it courageously.

Recently a Canadian who was passing through St. Petersburg, Florida, was astonished to find that one of the newspapers of this small town of some 25,000 inhabitants, the "Times," was getting its newsprint supply from a paper mill in Abitibi, and that one single edition contained one hundred and twenty-four pages. How much could also be said of the publications in the large cities of the United States which get their pulpwood from the Province of Quebec, and make their newsprint therefrom. They are doing their share in the systematic devastation of our forests, whilst they are thus protecting the forest reserves of their own country. It is a known fact that 85 per cent. of the pulp produced in Canada is exported to our neighbours of the great republic.

Is it not time to call a halt to this dilapidation of our forests? We must at all costs safeguard our national heritage.

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TERMINAL ELEVATORS GAIN BY THIS DECISION

(Port Arthur News-Chronicle)

Once again is the Canada Grain Act given a body blow by the courts. This time the Exchequer Court declares that certain grain contained in terminal elevators does not come under the authority of the federal government to deal with, but is subject to provincial authority, since its presence involves property and civil rights.

The decision, rendered by Justice McLean, was given in connection with the suit instituted by the Department of Trade and Commerce against the Eastern Terminal Elevator Company for the recovery of $43,431 claimed to have been the value of grain constituting the overage found in the elevator on the weigh up of several years ago. The department's claim was based upon the provision of the Canada Grain Act which declares the government is entitled to a percentage of the dockage obtained from the cleaning of the grain, and which remains in the elevator as overage.

It is certain that the case will be taken to the Privy Council for final decision. The result involved is of too great magnitude to allow the case to rest where the Exchequer Court has left it. Should the decision as rendered by the Exchequer Court be confirmed by the Privy Council, a new source of revenue will be presented to Provincial Governments within whose jurisdiction terminal elevators are located. Or if those Governments refrain from making claim on account of overages the elevator companies will be presented with a source of revenue which some of them have enjoyed, but the legality of which has always been in doubt.

NEWS AND VIEWS ABOUT BONDS

HIGHEST BIDS FOR PROVINCIAL BONDS SINCE BEFORE WAR

U. S. Bedding Deprives Canadian Market of Supply

Predictions that the strong bond market in New York would be followed by a strengthening of prices in Canada have been fulfilled to such an extent that the province of British Columbia received the highest bids recorded on a provincial issue for ten years, when it offered $3,000,000 of three, fifteen or twenty-five year bonds this week. The bid of the Dominion Securities Corporation on the three-year alternative was on a basis of 4.70 per cent. and lends strength to the claims of investment houses that the provinces may expect to secure funds readily in future at 5 per cent. or less. The province awarded the $3,000,000 5 per cent., 25 year bonds at the highest bid of 97.93. In addition the Dominion Securities Corporation purchased $3,000,000 of 4½ per cent. three year bonds at a cost to the province less than the highest tender for 5 per cent., three year bonds. These are the first provincial bonds issued with 4½ per cent. coupons for many years.

In the United States a large volume of bonds are being offered by municipalities and other issuing authorities but the supply does not seem capable of catching up with the demand. Commenting on the situation the Guaranty Trust Company says:

"The large amount of investment funds in the hands of banks and other financial institutions has been the most important influence in the rise of bond prices during the past month. Pronounced ease of short time money rates indicated by treasury six months' certificates offered at a yield of 2.75 per cent. promptly selling above par, has forced many banks to turn to the bond market to find profitable employment for their funds.

"Bond prices have advanced generally and in some instances, notably in public utility issues, are selling higher than in 1922, when the last peak in the bond market occurred. This is not surprising, for money rates and economic and financial conditions are to-day more favorable to high bond prices than at that time. The advance in U. S. Government issues has led the rise, and the Liberty bonds, except the first, have reached new high levels. Although the level of bond prices is high, it is still a seller's market and the buyer who looks for bargains has difficulty in finding them."

In such a market Canadian bonds have been regarded as attractive and officials of provinces and municipalities have taken advantage of the situation by calling for alternative tenders. The result is that the bids for bonds payable in United States funds have been highest and the British Columbia, Calgary and Greater Winnipeg Waterworks issues have been disposed of in New York. It is also stated that the New Brunswick issue next week is likely to go there. The policy of some large buyers of bonds has been to hold off in the hope that the demand would weaken with the prospect of large Dominion and provincial issues in the fall. However, reports from New York indicate a continuation of low money rates for some time at least. The price offered for the three-year British Columbia bonds supports this contention. With municipal issues restricted the difficulty Canadian firms have in securing bonds to sell increases.

Rumors that the city of Toronto would come into the market shortly for money to meet the Street Railway award have not materialized. In fact those in touch with the situation do not look for the issue at present. The figure of $10,000,000 is also stated to be too high as the full amount of the award will not have to be met out of the bond issue. No announcement has been made as to where or when the Dominion financing will be done. Until this appears the trend of the fall market cannot easily be gauged. Should it be disposed of in Canada bond prices would scarcely advance to substantially higher levels, but if it should go to the United States, dealers see no available supply to meet the demand.

Industrial and public utility financing has dropped from the record volume of 1923. Yet houses disposing of smaller issues report a steady demand. A number of re-organizations being talked of will require funds but none have as yet entered the market.

Total Ottawa Estimates More Than $407,000,000

From Our Own Correspondent.

OTTAWA. — The supplementary estimates amounting to $6,604,000 added to the main estimates of $400,571,000, bring the total to date this session up to $407,175,000. This does not include a loan of $5,000,000 to Vancouver harbor commissioners. If anything is done for the Home Bank depositors it will have to take the form of another vote.

Last year the supplementary estimates amounted to $14,711,000, and there was a further supplementary of $40,000. The first supplementary last year was swollen through an item of $4,000,000 in the form of loans to the provinces for housing.

RIORDON BONDS ADVANCE

An improved outlook for Riordon bond holders has recently been indicated by the stock exchange quotations. The last sale recorded was in May at 75, but since then there has been a steady advance in the quotations, the bid price having increased to 84. This improvement has undoubtedly been the result of the prospects that the International Paper Company would bid for the company at the foreclosure sale.

Government Board May Have Very Wide Powers

Holders of Battleford debentures who have entered action to ascertain their status at law, in view of default of interest, have been notified that the case has been held up. The explanation given is that in three cases, involving the public school board, the separate school board and the town, the local government board inquiry is still in effect. This ruling is causing apprehension among holders of western debentures generally because it evidently indicates wide power held by the local government board.

FINANCIER FAVORS FOREIGN BORROWING

Feels That Home Borrowing by Government Would Slow Up Industrial Growth

From Our Own Correspondent.

MONTREAL.—The recent discussion in Parliament anent the question of borrowing at home or abroad in making government loans is being followed up by discussion among Canadian financial men on the same question. At the time of the last loan the question was asked by THE FINANCIAL POST if the government loan had not interfered with the financing of industry in the country. Other publications voiced the opinion that home borrowing by the government on a large scale robbed industry of capital.

Contributing to the present discussion a Canadian investing officer has the following to say:

"If the country's bank deposits are to continue to be largely invested in long term bonds (readily realizable only so long as the trade of that country inspires confidence) where is the money for legitimate commercial purposes to come from, and will the bankers, with large bond issues to choose from, and a safe investment before them, be as interested in a commercial proposition which may require considerable care, thought and supervision to carry a successful conclusion? In other words is there not a danger of too great caution and safety?

"It would almost appear that that great banker and student of business conditions, the late Sir Edmund Walker, had in mind the underlying unsoundness of an apparently sound policy when he referred to the revival of the spirit of enterprise among Canadians in one of his last utterances, and that he had in view a possible stagnation of effort and initiative exactly like what seems to have fallen upon us as a people at this time.

"The centralization of the banking power has its weaknesses, and one of them is a tendency to make the captain of industry subject to the servant of finance. In the nature of things this may create undue conservatism, without intention on the part of the banker. It is the feeling of the writer that if the government financing can be arranged, for a time anyway, without recourse to heavy assistance from the banking deposits of the country the result will be a seeking of fresh outlets of lending by financial institutions, a consequent easing up of credit requirements, an increase of enterprise, an increased demand for goods and labor and decided forward movement and development of our resources."

TO STUDY WHOLE TAXATION PROBLEM

A Broad Survey is to be Made by the Proposed Government Commission

From Our Own Correspondent.

OTTAWA.—The new board which it is the intention of the government to create will not advise on tariff matters, but merely on methods of collecting taxes. It seems that some of the existing methods have given rise to so much complaint that it has been considered advisable to have the whole field of taxation surveyed in order that methods of taxation generally may be devised that will at once be equitable as well as raise the required revenue.

The discussion in the House showed it to be the intention of the government to have this board of three members investigate taxation methods abroad. Indeed, they will go quite far afield if necessary, in order to get the required information. The salaries are to be fairly good, $10,000 for the chairman and $7,500 for each of the other two.

A number of the members of the House were at first under the impression that this board would also advise on the tariff, and since the announcement that such is not the case, they have cooled off. The appropriation for the first year is expected to be $28,000, but this would provide for only eight or nine months. There is opposition to the proposal on the ground of expense, some being of the opinion that the existing officials could give the Minister of Customs and Excise all the information he needs.

ROBB IS GETTING LOTS OF ADVICE AS TO NEW LOAN

Only Statement That He Will Borrow Where Cheapest

From Our Own Correspondent.

OTTAWA.—Though through the lively discussion in committee over the $300,000,000 loan a strong attempt was made to draw from Hon. J. A. Robb a statement as to where he intends to borrow the money, the most he would say was that he would borrow where he could do so the cheapest.

It is a long time since a loan received as much attention as this one has had. There was quite a general expression of opinion on the part of members from all parts of the country, but the most vigorous speakers were from the West. Banking and finance is a subject to which the "ginger" group among the Progressives devote much attention, and they made themselves heard on this occasion.

Never before has such a demand been made that the Minister of Finance should go abroad for his money. Not that all the advice was to this effect, but the preponderance of it was. Some of this came from Conservatives too, who might have been expected to speak otherwise. There is a strong feeling in the House that the more money allowed to pile up in the country the better the chances are for business recovering. Indeed many, whose opinions appears to have value, are firm in the conviction that cheap money will bring down prices generally, and they say that in proportion as this happens to that extent only will business really get a chance to recover.

Hon. Mr. Robb is getting tons of advice on the subject, and if the saying holds good that in a multitude of counsellors there is wisdom, then he cannot want for wise counsel. In the meantime financiers both at home and abroad are very busy, so much so as to suggest that the borrowing will be done under very favorable conditions.

New York Municipal Market is Very Active

NEW YORK.—The month of June brought to a close the most active six months' period for state and municipal bonds in several years, says the Daily Bond Buyer. Combined with a tremendous sale of new issues aggregating over $800,000,000 for the period, a rising market stimulated extremely active trading among institutions of all kinds and stirred up a broad inquiry for these tax-free securities from private investors.

The following table compares the total sales of state and municipal bonds in June and the six months' period ended June 30 for ten years:

	June	Six mos. end. June 30
1924	$265,439,834	$800,595,098
1923	171,081,681	616,098,620
1922	169,748,241	734,157,276
1921	125,976,321	508,092,302
1920	45,031,274	349,981,991
1919	92,338,475	308,888,442
1918	21,336,792	134,103,084
1917	30,411,059	215,151,673
1916	47,431,102	285,498,620
1915	104,687,010	317,156,056

Riordon Bondholders' Outlook is Bright

From Our Own Correspondent.

MONTREAL.—Liquidator of Riordon Company has obtained formal order to sell the company's properties. Application for the court order was forecast in THE POST last week. The sale will take place about September 1.

It is anticipated that the bondholders' committees will buy in the properties and then negotiate their sale to various interests, with International Paper the logical prospect for the Kipawa mill and most of the lumber limits. In any event prospects are bright for the various Riordon bondholders receiving close to par for their holdings either in cash or new securities. Stockholders are to all intents and purposes wiped out already.

Grain and Pulpwood Inquiries Expensive

From Our Own Correspondent.

OTTAWA.—It is noted that in addition to $28,800 for the advisory board on matters of taxation, there is an item of $30,000 for advisers engaged in the tariff enquiry. For the grain enquiry, which already has eaten up much money, another $125,000 is asked and another $37,500 for the pulpwood commission. Another $160,000 is wanted for the British Empire Exhibition, and $15,000 for legal expenses in connection with the Home Bank prosecution.

BOND MOVEMENTS OF THE WEEK

Week Ending July 8.

BONDS	Int. Rate	Due Year	Yield	Range 1923 High	Range 1923 Low	Range 1924 High	Range 1924 Low	Latest Price Ask	Latest Price Bid	High	Low
Bell Telephone	5	1925	5.52	101	97¾	100½	98¾	100	99	99¼	—
Canada Bread	6	1941	6.00	100	96	102	99	100¾	100½	100	—
Dom. Textile (D)	6	1925	6.00	100½	100	100½	100	—	—	100	—
Cedar Rapids	5	1953	5.02	98½	93	99¾	95	100¼	99	99¾	—
Canada Cement	6	1929	5.78	103½	100	103½	100	—	—	101¼	100¼
N. S. Steel	5	1959	6.71	92	84⅝	84½	77	—	—	77	—
Penmans	5	1926	6.09	97	93¾	97½	96	—	97	97½	—
Quebec Rly.	5	1939	6.27	83½	68	87⅝	80	87¾	87⅛	87⅝	87
Wayagamack	6	1951	8.17	86¾	75	80¾	74½	77	—	76½	—
Wabasso	6	1947	6.67	96	85	96½	90¾	95	92	92	—
Winnipeg Rly.	5	1927	5.80	100	93½	99½	97½	—	97½	97½	—
War Loan	5	1925	4.47	100.95	99.10	101.15	100.15	100.95	100.75	100.75	100.60
Do.	5	1931	4.80	101.80	99.80	101.90	100.15	101.00	100.85	101.10	100.90
Do.	5	1937	4.74	103.30	102.00	103.30	102.10	102.80	102.60	102.55	100.55
Victory Loan	5½	1924	4.47	101.65	99.80	100.90	100.06	100.68	100.40	102.50	100.30
Do.	5½	1927	4.68	103.50	101.00	103.15	102.15	102.80	102.60	102.80	102.40
Do.	5½	1933	4.88	106.70	104.15	106.65	104.30	104.85	104.75	104.90	104.30
Do.	5½	1934	5.11	103.90	101.30	103.30	103.00	103.35	103.15	103.30	103.06
Do.	5½	1937	4.80	108.45	105.25	108.17	106.30	106.95	106.80	106.95	106.70
Do., Renewal	5½	1927	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Do.	5½	1932	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Do., Refunding	5	1928	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Do., Refunding	5	1943	4.97	99.25	97.90	100.50	99.00	100.35	100.00	100.25	100.10

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B. C.'s FARM PRODUCTION

VICTORIA.—Agricultural production in British Columbia during 1923 had a total value of $59,159,798, an increase of nearly $4,000,000 over the previous year, according to a statement issued by the Provincial Department of Agriculture. Dairy products accounted for $9,234,576 of the total. Fruit production was valued at $6,034,976, while vegetables were worth $5,853,626. Fodder and grain crops accounted for the balance.

A Book for Investors

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CIVIC AND PROVINCIAL FINANCE

MORE EQUITABLE CIVIC INCOME TAX FOR SASKATCHEWAN

Assessment Commission is Considering Certain Drastic Changes in Levy

Certain interesting and significant conclusions have been reached by the Saskatchewan Assessment Commission with regard to proposed changes in the method of levying the municipal income tax. Leading authorities on taxation, notably Prof. E. R. A. Seligman of Columbia University, were consulted.

The decision was almost unanimous that a municipal income tax should be used, but certain drastic changes were suggested in the basis on which it is now levied. In general, it was the feeling that the burden should be increased in the case of those of moderate means, and that it should be somewhat easier in the case of the higher-income groups. The following table showing the present and the proposed tax rates will illustrate what is meant:

Income	Pres. Tax	Prop. Tax
$ 1,500	nil	nil
2,000	nil	$ 6.00
2,500	$ 4.36	13.50
4,000	69.76	45.00
5,000	113.36	72.00

As will be seen from the table, the suggestion is to lay a somewhat heavier burden on the group between $2,000 and $3,000. This is based on the consideration that this group has had an extremely light share of the tax and that, since the group is so large a very substantial amount would be realized annually by adding a small increment to their present share. On the other hand the present federal income tax is extremely heavy on the highest income groups, and the addition of a large municipal tax would bring the total close to confiscation. Apart from the question of the actual changes suggested in the method of levying the income tax, it is an extremely healthy sign to see governmental bodies making a careful study of this intricate problem, a thing which has been left too much to chance in the past.

Seeking Uniformity in Succession Duties

With the aim of working out some uniformity of applying the succession duties in the Provinces of Ontario and Quebec, a conference was held this week with Premier Ferguson and other members of the Ontario Cabinet, with Hon. Walter Mitchell, former provincial treasurer of Quebec and H. T. Ross, secretary of the Canadian Bankers' Association.

At present, the duties are collected according to varying scales, and the movement was put on foot some months ago to have the two provinces apply the same scales of collecting this form of provincial taxation. It is hoped, further, that in time all the provinces will operate such taxation upon the same basis, as such an arrangement would be of considerable benefit to fincial organizations.

Real Estate Men Advise Robb to Borrow Abroad

OTTAWA.—That the money for the proposed forthcoming Dominion loan should be secured from outside sources and not from the domestic market has been urged on the acting minister of finance by the Ottawa Real Estate board. At a meeting of the board J. J. Leddy declared that Canadian capital should not be tied up in long term loans but should be set to work for the good of industry and the development of the country. Domestic loans are not good for industry, he said, and if the proposed loan was secured by the government from outside it would loosen up much capital in Canada, the money could be secured outside at a low rate now that the Canadian dollar was nearly at par in America.

ONTARIO'S MUNICIPAL TAXES

The latest report of municipal statistics prepared by the government of Ontario contains the following comparative study of the per capita municipal and school taxes of the various cities of the province:

	Municipal Taxes	School Taxes	Total
Port Arthur	$45.56	$14.72	$60.28
Fort William	35.89	15.92	52.81
Toronto	33.20	15.97	49.17
Windsor	28.43	17.52	45.95
St. Catharines	29.13	12.40	41.95
Hamilton	29.45	12.44	41.89
London	27.02	14.47	41.49
Sarnia	25.42	15.27	40.69
Brantford	26.81	11.54	38.35
Ottawa	25.55	12.62	38.17
Galt	26.59	11.13	37.72
Niagara Falls	24.02	10.99	35.01
The Soo	17.57	15.93	33.50
Belleville	23.65	9.12	32.75
Peterboro	20.52	11.99	31.51
Chatham	19.53	11.59	31.12
Welland	17.42	13.53	30.95
Owen Sound	18.41	12.34	30.75
Kitchener	20.82	9.37	30.19
Stratford	20.05	9.63	29.68
Kingston	20.08	9.31	29.39
Woodstock	19.73	8.77	28.50
St. Thomas	17.59	9.40	26.99
Guelph	14.43	9.24	23.67

The Week's Bond Sales

NORTH YORK ISSUE

A. E. Ames & Co. have been awarded an issue of $50,000 5½ per cent., 20-instalment bonds of North York on a bid of 102.09. The bids were:

A. E. Ames & Co.	102.09
Wood, Gundy & Co.	101.939
Nesbitt, Thomson & Co.	101.52
Macneill, Graham & Co.	100.41

HUDSON'S ISSUE

A. Hudson, Que., issue of $15,000, 5½% payable in 30 years, has been awarded A. E. Ames & Co., at 99.199. This is on a 5.55% basis. Following are the bids:

A. E. Ames & Co.	99.199
L. G. Beaubien & Co.	98.53
Dominion Securities Corp.	98.378
Mead & Co.	94.21

LA SALLE SCHOOL COMMISSION

The La Salle School Commission has sold an issue of $30,000, 5½%, 30-yr. bonds to Dominion Securities Corporation at 98.838. At this price the money is costing 5.58%. The bids are as follows:

Dominion Securities Corp.	98.838
Rene T. Leclerc	98.25
L. G. Beaubien & Co.	98.05
Municipal Bankers	96.57
A. E. Ames & Co.	96.02

LONDON BONDS

An issue of 5%, 10, 15 and 20-instalment bonds of the City of London has been awarded A. E. Ames & Co. at 98.439. The bonds were made up as follows: $105,000, waterworks; $266,100, school; $34,000, technical school; $200,000, storm sewer, and $25,000 storage house, repayable in 20 annual instalments; $50,000, water-works, and $231,413, local improvement, repayable in ten annual instalments, and $210,000, electric light, repayable in fifteen annual instalments. Following are the bids:

A. E. Ames & Co.	98.439
Cochran, Kay & Co., Dyment, Anderson & Co., and Bell, Gouinlock & Co.	98.31
Wood, Gundy & Co.	98.088
Macneill, Graham & Co., Aird, McLeod & Co., and C. H. Burgess & Co.	97.913
Gairdner, Clarke & Co.	97.88
McLeod, Young, Weir & Co., R. A. Daly & Co., and Matthews & Co.	97.71
Dominion Securities Corporation	97.517
Mackenzie & Co., and Murray & Co.	97.492

HIGH BIDS FOR B. C. ISSUE

The province of British Columbia awarded $3,000,000, 5 per cent., 25 year bonds to the Dominion Securities Corporation at 97.93. The same firm also purchased $3,000,000 of 4½ per cent., three year bonds. The tenders were:

	3-yr.	15-yr.	25-yr.
Dom. Secur. Corp.	100.82	98.69	97.93
Wood, Gundy & Co.	100.64	97.773	97.813
A. E. Ames & Co.	100.343	98.212	97.73
A syndicate of McNeil, Graham & Co., McDonagh, Somers Co., Redmond & Co., Rutter & Co., New York Trust Co., Pearce, Fair & Co., J. E. Price & Co.	.....	96.81	96.21
Syndicate of Bank of Montreal, First National Bank	100.36	96.35	95.34
Syndicate of R. A. Daly & Co., Cochran, Hay & Co.	99.916	....	....

Tenders and By-laws

TENDERS WANTED

July 15, Beauharnois, Que.—$100,000, 5½% school debentures. L. C. Tasse, Sec.-Treas.

July 15, New Brunswick.—$1,161,000, 5%, 20-yr. debentures. Alternative bids are requested for 10-yr. debentures, payable in Canada and New York. (See announcement on page 16.)

SASKATCHEWAN

Authorizations Granted by the Local Government Board from June 19 to July 3, 1924.

Schools—Hartaven, $1,650; Fenwood, $9,400; Willow Heights, $500; Uhrynow, $1,500; Abermule, $2,000.

Rural Telephones—Mossbank, $2,000; Manitou Lake, $2,600; Landshut, $475.

Villages—Kisbey, $2,500.

Cities—Moose Jaw, $23,584; Regina, $12,875.

Debentures Reported Sold

Schools—Murray, No. 2365, $2,000, 10 yrs., 7%, Regina Brokerage & Invest. Co. Hillier, No. 1570, $1,000, 10 yrs., 6½%, Regina P. S. Sinking Fund. Nolin, No. 905, $1,500, 10 yrs., 6½%, Regina Brokerage & Invest. Co. St. Mary, No. 4487, $800, 10 yrs., 6¾%, Regina Brokerage & Invest. Co. Shaunavon, No. 3228, $24,000, 20 yrs., 6½%, Regina Brokerage & Invest. Co. Forward, No. 2037, $2,000, 10 yrs., 6½%, H. Liebel, Balgonie. St. Jude, No. 3723, $1,000, 10 yrs, 7%, Regina Brokerage & Invest. Co. Steadfast, No. 4564, $3,500, 10 yrs., 6½%, Cross & Company, Regina. Hughton, No. 2496, $5,400, 10 yrs., 6½%, Cross & Company, Regina. Sproule, No. 1890, $6,000, 15 yrs., 6½%, Regina Brokerage & Invest. Co. Eston, 3759, $21,000, 20 yrs., 6½%, Cross & Company, Regina. Moose Pond, No. 3712, $1,500, 10 yrs., 8%, Waterman-Waterbury, Regina. Sister Butte, No. 643, $1,500, 10 yrs., 7%, Cross & Company, Regina. Connaught, No. 51, $1,000, 10 yrs., 6¾%, Cross & Company, Regina.

Village—Success, $1,500, 10 yrs., 7%, Nay & James, Regina.

Recent charges that the coal department of the City of Hamilton was being operated at a loss were refuted by a statement which the city clerk has just issued. The statement shows that the coal department earned $2,300 up to the end of May.

TOWN PLANNING IS ADVANCED BY KITCHENER MAN

Encourages Civic Improvement by Providing Half of Required Funds

A Canadian business man who is devoting a part of his wealth to making Canadian towns and cities more beautiful is A. R. Kaufman, rubber manufacturer of Kitchener, Ontario. As a result of his work in his home city, Kitchener now has the finest "City Plan" of any Canadian community of its size. Waterloo, the sister town of Kitchener, is now working out a city plan as a result of Mr. Kaufman's generosity. Other towns have benefited Bridgeburg and Fort Erie on the Niagara Frontier are now considering town planning arrangements which Mr. Kaufman has offered to support.

Mr. Kaufman's usual scheme is to advance enough money to pay half the cost of a plan to be drawn up by a capable town planning engineer. The town or city advanced the remainder as evidence of its interest.

The arrangement is usually for the town or city to return Mr. Kaufman's share when the plan has been drawn up. This is not a hard and fast rule. In some circumstances, Mr. Kaufman will advance the entire cost of the plan. And in any case where the town or city feels that it has not received good value in investing in town planning Mr. Kaufman will not insist on the return of his share of the money.

He feels that it is necessary for any community to take the long range view; to consider the value of the plan twenty-five years hence rather than to look upon its immediate value to-day.

Municipal Notes

VANCOUVER HARBOR SURPLUS

The annual report of the Board of Harbor Commissioners of Vancouver shows a surplus of $361,011 for the year 1923. The total value of freight handled was $40,693,924. There was an increase of $4,813,797 in the total value of exports and imports over the previous year.

TRAM TRAFFIC DECLINES

The former decision of the Kitchener Street Railway Commission to try out a bus in a section not served by the tramways has been reversed on account of the fact that the number of passengers carried has fallen off considerably. During June the railway carried 21,000 less passengers than in June last year.

BRANTFORD TREASURER'S REPORT

The financial report for the first six months of 1924 has just been made public by the city treasurer. Among the salient features are an increase in the debenture debt of $240,000 and an unfunded liability of $157,585 for provincial highways. Further assistance, it is stated, will be needed by the general hospital, and the street railway deficit is reported to be increasing.

TO SIMPLIFY TAXATION

Legislation is being brought down by the Dominion government for the establishment of an advisory board to analyze the methods of taxation used in various countries, with a view to improving existing methods of taxation. It is also suggested that the administration of the income tax and the business profits tax be placed under the customs department rather than the department of finance.

CONVENTION OF MUNICIPALITIES

The nineteenth annual convention of the urban municipalities of the Province of Saskatchewan has just come to a close in Regina. Mr. Andrew Leslie, of Saskatoon, was elected president and Mayor Burton, of Regina, vice-president for the coming year.

Among the most important resolutions passed at the meeting were: the suggestion for the construction of permanent highways in the province; the proposal not to send out assessment notices during a year when the assessment roll was unchanged; the request that the provincial government impose and collect a tax on gasoline, the revenue to be distributed among the municipalities; and a decision to petition the provincial government to remit to the municipalities a portion of the automobile license fees.

DISPOSAL OF POLICE FINES

The question of whether fines secured through the activities of the municipal police should be retained by the municipalities or whether they should be passed on to the provincial government is one which has been warmly debated at many times. A tentative ruling was handed down, as far as Ontario towns are concerned, when the City of Hamilton was asked by the provincial government to pay $1,000 which has been held for some time pending a decision. It is obvious that in either case the money is spent for public purposes, and if the provincial government did not secure these funds it would have to raise them by other forms of taxation. Furthermore many municipalities get in the habit of spending freely as long as there are available funds, and it is probable that the necessity of raising funds by other methods will lead to a more careful policy of spending.

RECOVERY OF WEST PROVES IMPETUS TO RENEWED PROGRESS

(Continued from page 1)

change which is taking place in Western Canada, is the increasing self-sufficiency of the farmer. Mixed farming is becoming more general, and there is a growing determination on the part of individual farmers to work out their own problems. The West should not be judged entirely by the activities and views of the "ginger" group at Ottawa with their insistent demands for legislative experiments to cure economic ills. There is a large growing community which is living off the farm, instead of the old idea of selling everything raised and buying everything required. In other words the "wheat miners' are becoming mixed farmers and the country is getting on a much more solid economic basis.

In Eastern Canada

In Eastern Canada also, business is feeling the urge of the favorable crop outlook. After all the East is still the important agricultural area of Canada from a standpoint of volume. Last year the value of Ontario's agricultural yield alone was over $400,000,000 as against $200,000,000 for Alberta and $291,000,000 for Saskatchewan. Retail business in Ontario and Quebec, as well as in the Maritimes, to a lesser degree, is reported to have improved. The commencement of the fruit season has increased the volume of sugar sales very materially. Stocks on hand are much lower than at this time last year, while meltings and shipments for the year up to June 14 amounted to 392,306,000 pounds as against 443,920,000 pounds last year. This indicates, roughly at least, how much sugar will be required to catch up for the large fruit canning period. Business is feeling the impetus also of the tourist traffic which appears to be unusually large this year. The volume of food supplies being routed to the northern resorts is itself a large item in increased retail sales. Altogether, a considerable improvement in the outlook has already taken place.

EXPECT LARGE WOOL CLIP

LETHBRIDGE.—Sheep shearing has started on several of the large sheep ranches here, and prospects for a heavy clip are bright. No wool has yet been contracted for, and the probabilities are that the bulk of the Southern Alberta wool crop will go to the Canadian Co-operative Woolgrowers of Toronto. Shearers are being paid from 11 to 13 cents a fleece.

Expect Only a Small Heating Plant Deficit

From Our Own Correspondent.

WINNIPEG.—This city's central heating plant, about which there has been so much controversy, has already on hand all the heating contracts which it will be able to provide for this year, according to the statement made by J. G. Glassco, manager of the civic hydro department. The result, according to Mr. Glassco, is that the prospective deficit, if it appears at all, will be of very small proportions for the first year. During the initial period it was contemplated that there would be a loss on the operation of the plant. If the enterprise is a success similar plants are expected to follow.

New Map of Canada Full of Data of Great Value

Lack of knowledge of climatic and vegetation conditions has caused many prominent travellers and visitors to Canada to unjustly criticize this country. The same and in many cases greater ignorance of Canadians has permitted much of this unjust criticism to pass unanswered and unrefuted, with the result that Canada has often been unfairly condemned.

The Natural Resources Intelligence Service of the Department of the Interior, has published an exceedingly interesting vegetation and forest cover map of Canada. This shows at a glance the different zones of vegetation and their chief distinguishing characteristics from what are know as the barren lands, that are in no sense barren but support a growth of hardy grass and vegetation peculiar to the cold climate, to what is termed the Carolina zone, in southwestern Ontario, where is found almost sub-tropical vegetation in the fruit belt. The map is an intensely interesting one and one that will conduce to much study and investigation. An immense amount of hitherto unpublished information is shown thereon, much research work was entailed, and the notes of explorers and surveyors, from those of Sir Alexander MacKenzie, Sir John Franklin, Samuel Hearn and others to the more modern surveys and explorations of the different federal and provincial government departments, were carefully examined for authentic records. To the student of Canadian conditions the new map will be of much assistance in enabling him to segregate the several vegetation zones, approximate the possibilities of forest exploitation, and establish the areas of known farming districts.

During the first six months of 1924 the Dome Mine produced approximately $2,121,980, according to official information. This compares with approximately $1,968,000 during the first six months of 1923.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES.

Date—	Place—	Sold To—	Rate	Term	Amount	Price	Basis
July 7	—London, Ont.	A. E. Ames & Co., Toronto	5%	10, 15, 20-ins	$1,121,513	98.439	..
July 7	—North York	A. E. Ames & Co., Toronto	5½%	20-ins.	50,000	102.09	..
July	—North Grimsby Twp.	Bird, Harris & Co., Toronto	6%	15-ins.	20,000	103.83	5.43
July	—Calgary	Spitzer, Rorick & Co.	..	..	1,070,000	..	..
July 3	—Saskatchewan Schools, etc.	Various	..	..	73,700	..	..
July 9	—Hudson, Que.	A. E. Ames & Co., Toronto	5½%	30-yr.	15,000	99.199	5.55
July 9	—La Salle	Dominion Securities Corp.	5½%	30-yr.	30,000	98.838	5.58
		CORPORATION					
July	—Gordon, Ironsides & Fares Co.	..	7%	5-yr.	$100,000	..	..
July	—Ittawa-Montreal Power Co.	Nesbitt, Thomson & Co.	6½%	25-yr.	1,250,000	..	..
		PROVINCIAL					
July 7	—British Columbia	Dominion Securities Corp.	4½%, 5%	3, 25 yr.	$6,000,000	..	..

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Old Policyholders Are Source of New Business

Figures collected by the Mutual Life Insurance Company of Canada this year indicate the possibilities for selling insurance among old policyholders. In reporting the results the company says:

"It appars that comparatively few companies in the United States and Canada have kept records showing the amount of business produced yearly on old policyholders, but the records of twenty-four companies, some American and some Canadian, show an average figure of 25½ per cent. as the proportion of business sold to old policyholders during 1923. The highest figure reported was 58 per cent.; the lowest 6 per cent. The companies have been grouped according to the amount of ordinary insurance in force on January 1st, 1923."

The highest average, 34½ per cent. of the business sold, was found in companies having over $400,000,000 in force. The others were 32 per cent. for companies with 150 to 400 millions in force, 19 per cent. for those with 50 to 150 millions and 14 per cent. for those with less than 50 millions in force. The general average was 25½ per cent. As a company progresses the insurance needs of earlier policyholders expand; hence the higher averages with older and larger companies.

Sells 176 Policies for 450,000 in One Month

The record of the late Harry B. Rosen in writing 157 applications in one month in New York was broken in April of this year by Henry E. Scott, an agent of the New York Life Insurance Company, in the village of Demopolis, Ala. During the month Mr. Scott wrote $450,000 of insurance on the lives of 176 people, every application being written by him personally.

INSURANCE FOR BUYER AND SELLER

UNDERWRITERS TO EXTEND SCOPE OF EDUCATIONAL WORK

Charter Given Association; May Prosecute in Rebating Offences

A Chartered Life Underwriter of Canada is a new designation which may be employed by life insurance men in Canada when the legislation, passed by the House of Commons and Senate at Ottawa, is finally assented to by the governor-general and put into operation. This is the result of the application made some time ago by the Life Uunderwriters Association for incorporation. For some time the officials of the association have been preparing for this development, believing that it will bring a further extension of the splendid work carried on among insurance salesmen in the Dominion.

The Life Uderwriters Association was founded several years ago with the idea of working to improve the conditions under which life insurance is sold to the public, chiefly by educating those in the business to a better understanding of the principles of insurance, the various policies being offered and their application to the specific needs of policyholders, and to build up ethical standards for the general benefit of the public, the companies and the field men alike. Through the energy of J. H. Castle Graham, the former permanent secretary, and various underwriters who held office in the association from time to time, a number of outstanding abuses were stamped out. Among these was the rebating of commissions to purchasers of insurance.

Local Organizations

The general plan has been to develop local organizations through which meetings were arranged, at which the members met with one another, discussed topics of mutual interest and listened to addresses on insurance subjects. In addition central conventions were arranged and these have become an inspiration to many. At the same time the Association has issued monthly the "Life Underwriters News," devoted to insurance subjects. A gratifying circumstance is that the Association and the insurance companies have not been antagonistic to each other as is the case frequently in business where the employees are organized.

The membership now consists of insurance men from coast to coast. The new charter gives the Association power to prescribe courses of study for those applying for membership, with suitable examinations and to designate to members the use of the term "Chartered Life Underwriters of Canada." The natural development will be that those seeking recognition as efficient life insurance men will seek membership.

The corporate status now being attained will bring other benefits. The law against rebating has stopped this practice in general, but instances of it come to light occasionally. At present these are overlooked in most cases unless some interested person takes the initiative in prosecuting. The association will now be in a position to prosecute offenders against the law.

With the tendency to apply life insurance to wider uses and meet each need by suitable contracts, the efficient salesman must be a student of substantial proportions. He must know the various policy forms, the variations in the clauses and their application. A knowledge of wills and contracts law is also desirable. The Association is playing an important part in enabling insurance men to secure these. The bill stipulates that the present offices and executive committee of the Association will continue to act until the next annual meeting.

Senate Amends Bill at Request of Provinces

The efforts of the provinces to have the operation of the recent amendments to the Insurance Act, passed by the House of Commons, suspended have resulted in the Senate amending the bill so that it should not come into force until proclaimed by the Governor-general in Council after its validity has been tested in the courts. When the bill came before the banking and commerce committee of the Senate the provinces of Ontario, Manitoba, Alberta, Saskatchewan, and British Columbia were represented by R. Leighton Foster, Ontario superintendent of insurance, and Quebec by Aime Geoffrion, K. C. The hearing lasted three days and the committee recommended the action subsequently taken by the Senate.

It is claimed that the new legislation contains clauses which have been declared ultra vires by the decision of the Privy Council in the reciprocal insurance case last summer. As the bill stands at present it cannot be enforced until a favorable decision on it is secured in the courts. It is not yet known whether the Commons will accept the Senate's amendment, or what action it will take.

AETNA LIFE EXTENDS

With the opening of a life insurance agency in Louisiana the Aetna Life Insurance Company for the first time in its history operates in every state in the Union. The company, which operates extensively in Canada, has been steadily extending its field force. In this expansion the Canadian end of the business has been a big factor, Saskatchewan being the newest territory to be entered.

Prepare Big Program for Convention at Winnipeg

Plans are nearing completion for the annual meeting of the Life Underwriters Association at Winnipeg on August 20, 21 and 22, and a large representation of field men from different parts of the country have signified their intention of attending. Special transportation arrangements are being made, many men from the east having planned to go up the lakes by boat. Among the features of the program are the following:

An address on "The simplicity of success" by Darby A. Day, head of one of the largest life insurance agencies in the world; an address by Professor Swanson of Saskatchewan University on "Life underwriting as a profession"; a debate on the subject of "An appeal to the intellect versus an appeal to sentiment in selling insurance"; and discussions on systematizing the canvass, graphic methods of approach, the flexibility and analysis of insurance, income equivalents of life insurance and other subjects of interest by well known Canadian underwriters.

NOTE IS CONSIDERED PAYMENT FOR MOTOR

Court Decides Automobile Policy Not Void Because Fact of Note Overlooked

An interesting point in connection with payments on an automobile as they affect an application for insurance on the automobile was brought up during the hearing of the case of Western Assurance Company versus Caplan before the Supreme Court of Canada recently.

The evidence showed that the insured bought the automobile in question, paid some cash, gave a note for the balance, and stated in his application for the insurance that the car had been paid for.

"You kept back a material circumstance which voids the policy," the company argued. "If the seller was willing to take my note, the car was paid for as soon as the ink was dry," the insured contended, and the Court decided in his favor on this point as well.

"The question was fully answered, it was answered correctly. If the mode of payment— in cash or by promissory note—had been regarded by the company as material to the risk, we may fairly assume that a further question would have been directed to the elucidation of that point. In the absence of any such inquiry, I think the circumstance relied upon must be treated as immaterial," said the Court on this phase of the case.

As leave for an appeal to the Privy Council was refused the decision stands as a ruling and it is expected that the companies will have to add another question to the application form if they desire full information on this point. This is one of a number of questions asked when an application is made to give the company a knowledge of the circumstances under which the policy is being issued and protect it from fraud.

INSURANCE BUSINESS IN SOUND CONDITION

Inspection System Has Helped, Says Stoddard; Public is Protected Against Loss

After an active term of nine years as Superintendent of Insurance for New York State, Col. Francis R. Stoddard is retiring. Col. Stoddard has sponsored many reforms with a view to increasing the safety to policyholders. While not overlooking the defects in the system he is convinced that the difficulties are of a minor nature. He says:

"Business methods may be subject to improvement, but there is nothing inherently wrong with the insurance business. It is as clean as any business in the world and cleaner than most."

The developments of the New York insurance laws have been watched with interest by Canadian insurance men. Similar systems of regulation have built up a strong position for companies operating in Canada, so that in placing insurance a potent question is always whether the company in question is licensed and inspected by the Insurance Department. Many of the companies doing business in Canada have their head offices in New York, hence the business in the two fields is more or less closely allied.

Place Premium on High Records for Renewals

The announcement has been made to the London Life field force that the members of the $150,000 Production Club for 1924-5 will be given a boat trip next July down the St. Lawrence to the Saguenay. Those who double this amount will have the privilege of taking their wives under the same arrangements. Membership in the club is obtained not alone by producing the required amount of new business, but by having a renewal record of not less than 75 per cent. of the paid for business of 1923-4. This latter requirement is interesting in view of strenuous efforts of companies operating in Canada to reduce the lapses on policies in force. It should be one of the factors in cutting down the big losses year by year to policyholders, salesmen and the companies through dropping policies.

Tests made some time ago with fire-clay from two of the Cape Breton collieries, have produced a splendid brick which is being used at the Sydney steel plant. There are other purposes to which this clay has been applied.

EMPLOYERS BEAR PART OF COST OF GROUP INSURANCE

Look for Extension of the Plan in Near Future

The growth of group insurance, especially among railway employees, has been so rapid in recent years as to provoke special comment. A report of the Committee on Public Relations for the eastern railroads of the United States says that 35 railroads have group life insurance amounting to more than $260.000,000 on over 200,000 employees. The policies are placed in a number of well known companies, the largest being that of the Southern Pacific Railway with the Metropolitan Life for $116,000,000 on 70,000 employees. In Canada there were 117 group policies for $16,088,215 issued in 1923 and at the end of the year 556 policies of this type were in force with a face value of $86,156,192. While the adverse business conditions of the past three years have tended to discourage companies from embarking on such programs it is expected that returning prosperity will bring substantial increases in this business.

To date the railways in Canada have not taken up the plan. It is stated that this is not through any lack of appreciation of its merits, but on account of other conditions. It is pointed out that either the C. P. R. or the C. N. R. group would be so large as to justify consideration of starting an insurance department of the railway company rather than placing policies with independent life insurance companies. In the case of the C. N. R. the insurance of the employees might be linked up with the civil service plans now in operation.

In commenting on the United States situation the Journal of Commerce says:

"In the majority of the group insurance contracts taken out by the railroads the policy is on what is called a "contributory basis," by which part of the cost is paid by the employer and part by the employee. A low rate to the employee is made possible by the wholesale nature of the business and the consequent reduction in per capita overhead costs and agents' commissions.

"The nature of the policies underwritten have varied with the different companies. Straight life insurance, including total and permanent disability provisions and life insurance plus sickness and accident benefits, are the most common forms. Additional provision is often made for accidental death and dismemberment whereby the amount of life insurance is doubled if the employee meets with death by accident and whereby various sums are paid for the loss of eyes, limbs, etc.

"Another feature of group insurance is the fact that no medical examination is necessary except in a few States where it is required by law. Because of this waiver it is possible for many employees, who could not obtain insurance any other way, to secure insurance protection on the group plan."

Much the same condition exists in Canada in respect of the kind of policy favored, accident features and medical examination.

Fire Hazard Increased by Neglect of Details

Commenting on the neglect of small details which often increases the fire risk and causes losses to fire insurance companies, the Western Canada Insurance Club reviews the circumstances of a fire in a large Winnipeg building. It says:

"This building was considered one of the best mill-constructed buildings in Western Canada, but, owing to detail in the construction which seemed insignificant the fire was communicated from floor to floor and caused a loss of upwards of half a million dollars ($500,000).

"The fire started, presumably, in a light wooden cupboard built against the furnace and using one wall of the furnace as a cupboard wall; in this 'cubbyhole' were kept janitor's supplies, in this case consisting of the usual accumulation of dust cloths, etc., a mattress, shelving and a large wooden box. It is supposed that the heat of the furnace thrown into this badly ventilated structure caused spontaneous combustion and the fire quickly caught the flimsy walls. The fire was communicated from floor to floor through an air space created by the reduction in size, at each floor, of the wooden posts supporting the beams carrying the floors. The posts were placed one upon the other, the beams being carried on a metal bracket, the reduction in size of the posts caused an air space of from one-quarter of an inch to half an inch around the posts at each floor and it was by the draft caused by this small opening that the fire was carried.

"Here is a case of a first class fire risk being practically totally destroyed by a fire which could have easily been prevented by the construction of a substantial, well-lighted and ventilated janitor's cupboard and the spread of the fire could have been stopped by a few feet of ornamental moulding around the base of the posts at each floor."

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Why Western Canada Believes in Reciprocity in Farm Products

Winnipeg Banker Believes That it Would be to Mutual Advantage of Prairie Provinces and Western States—Present Economic Problems Solved by Hard Work Rather Than Radical Legislation

By S. L. CORK,
Supervisor of Royal Bank of Canada, Winnipeg, in Address to North Dakota Bankers at Fargo.

Charles Lamb has said that "The human species is divided into two distinct races—'Those who borrow and those who lend'." Regarding our lenders, we do not claim our banking system to be infallible, and apparent weaknesses are being remedied by Legislation from time to time, but we do believe that it best answers and provides for the general needs of our people, and that over a very long period it has fulfilled its expectations and measured up to its responsibilities. It may not be amiss for me to say here that I believe our Western country, and perhaps also yours, has suffered not from too little credit, but from too much and too easy credit, furnished by banks and other loaning organizations.

Closer Trade Relations

Recent discussions on this side of the border concerning proposals for the aid of your agriculturists make me very chary of saying anything with regard to the business relations of our two countries. I am sure, however, that you will take it in good part if I point out, by way of mentioning one of the recent problems of our farmers, that the grass fed cattle from our ranches, which were formerly in demand as stockers for finishing purposes by your mixed farmers, are now almost entirely shut out. The effect has been to cause us to look abroad more than ever for our market. When you considered it expedient, for the protection of your home market, to recently increase the duty on Canadian wheat to 42c., you probably effectually stopped the export of Canadian wheat for United States consumption. Whether your wheat growers will benefit proportionately to the tariff increase I do not know. Our wheat consigned to the United States has not been, however, a very considerable portion of our exports. From September to May it was roughly 22 million bushels, of which 10 million bushels came here in bond, duty free, **to be later included in United States exports of domestic flour. This to the extent of about one barrel in six.** Your millers, as formerly, will no doubt continue to require our wheat in increasing quantities.

Both the United States and Canada have been strongly protectionist, and I believe are likely to remain so. Our respective tariff policies will quite properly continue to be governed primarily by what is believed to be our national interests, but there is a popular feeling in Western Canada that the interests of our Prairie Provinces and your Western States are so interwoven that some measure of reciprocity in agricultural products would be to our mutual advantage. This may perhaps be properly considered as a subject for future discussion and decision.

In the world's history grave economic disturbances have always followed great social upheavals. Taking a wide view I believe conditions are on the mend, and that we are gradually getting back to normal. I am afraid, however, that from a desire to hasten this process some are too prone to rely on solving our difficulties chiefly by legislation. There is danger from ill-advised and unsound measures. I have no distrust of our present day elected representatives. I believe that the sound sense of our people ultimately finds expression in our legislatures, but while fully aware that we must adapt ourselves by legislation and otherwise to changing conditions, I think it is true to say that little reliance can be placed on many of the schemes now advanced in our country, and again perhaps in yours, for the purpose of bringing about a financial, industrial, and social millennium. Economic laws, like those of nature, are immutable, and cannot be broken with impunity. There is no easy road to prosperity. To put it briefly, hard work and thrift will probably accomplish more than anything else. These are trite remarks, but we do well to remember them.

I am glad to say that I believe the psychology of our people in Western Canada is better than it has been for several years. There seems to be a general realization, for the first time since the War, that the period of inflation is gone, and a determination is shown to work out of present difficulties by the exercise of the old fashioned virtues of economy and industry. If the test of a first-class nation is not to spend more than she takes in, and not to buy more than she sells, Canada compares favorably with other nations to-day. We now realize the importance of balancing our budget, and our exports exceed our purchases. Generally speaking, strict economy is the ruling motive throughout the Dominion in farming, industrial, and commercial life. Obligations are being incurred with greater caution. Our Western farmers have well taken care of new borrowings, and during the past season there was a very substantial reduction in arrears of debt.

Government Experiments

It is popular nowadays to speak of a so-called barren area of credit between that covered for more or less short dates by the usually designated commercial banks, and for longer periods by mortgage and loan companies. Canadian bankers generally agree that some new facilities may be desirable. Intermediate credits can be better provided perhaps by some agency other than those I have mentioned. I am not sure, however, as far as Canada is concerned, that the extent of this barren area has not been exaggerated. Deserving farmers in a position to borrow have not suffered. You have had a considerable development recently of new organizations furnishing farm credits. As briefly as possible I would explain that we also have had some experience with rural credits, but furnished directly, or under the auspices of Provincial Governments. So far the experiment has not been altogether satisfactory. Alberta and Manitoba for several years have had rural credit schemes organized with a view to furnishing needed capital to farmers not able owing to their financial standing to obtain accommodation through ordinary channels.

Manitoba has had the widest experience, covering a period of about seven years. For a time funds were advanced by the chartered banks, but owing to differences and misunderstandings Manitoba later organized a Provincial Savings Bank, with the primary object of securing funds for the rural credit scheme. More recently Ontario followed Manitoba's example, and established Savings Bank and Rural Credit organizations. As bankers we consider that these Government banks, soliciting deposits at a higher rate of interest and paying no taxes are unfair competition. Furthermore, that tieing up supposedly demand deposits in long-term loans, and withdrawing these deposits from the ordinary channels of trade and commerce, they are economically unsound. Outside considerations have sometimes entered into the granting of loans, and unfortunately the individual borrower does not always view a debt to a branch of the Government in the same light as he does an obligation to a private party or corporation.

Serious Losses Result

As the result of a government investigation held about a year ago into the operation of Rural Credit Societies in Manitoba it was shown that due to mismanagement and other abuses very serious losses had been incurred. Since then the scheme has been rather inactive. The whole question of rural credits is now under review by our Federal Government, and some new system free of weaknesses which have become apparent under existing schemes may be the outcome. While showing every solicitude for the plight of our farmers, and desiring to furnish all possible and proper assistance to relieve their situation, we should be careful to proceed along sound lines, and satisfy ourselves that any new scheme is properly devised and safeguarded. No system of money lending can safely depart from sound principles. Loaning against insufficient collateral is poor business on the part of anyone, and the experience of both parties to such advances is bound to be unfortunate. The difficulty and danger sure to result when credit is disbursed by incapable hands is emphasized when we remember, as stated by another, that: "The distribution of credit is the most difficult and hazardous duty bankers have to perform. It calls for the soundest judgment, the widest grasp of business conditions, the keenest insight into human nature and character, and complete fearlessness, if it is to be conscientiously and capably performed."

Our West, and yours, is a great grain growing area, and I think will continue to be for a long period. At the same time we in Canada are realizing more and more, as you are doing in North Dakota, that greater prosperity would result from less dependence on one crop. The constant growing of small grains, particularly wheat, has steadily depleted the fertility of our Western soil, yours and ours. The Eastern parts of our countries went through a similar experience generations ago. The present unsatisfactory position of our grain growers was not brought about by the World War. The aftermath of the war, however, accentuated it, and may have the effect of bringing us more quickly to our senses. For obvious reasons it was difficult to make the desired headway during prosperous years, but recent experiences have opened the eyes of our people, and they are more and more following diversified farming. The gradual exhaustion of credit with the banker and storekeeper has caused our farmers to become self-supporting to an extent never before experienced. It is now realized that the farmer at the worst can be self-contained and that farming must be made a year round business.

QUEBEC'S POPULATION

QUEBEC.—The population of Greater Quebec is placed at 158,448 inhabitants in the annual issue of the Quebec and Levis directory. The population of the city of Quebec, exclusive of suburbs, reaches 119,488, divided by nationalities as follows: French-Canadians, 104,969; Irish, 6,029; English, 5,490.

Sir Charles Gordon Brought Prosperity to Textile Firms

(Continued from page 10)

distributed to shareholders. Yet the return to Gordon and the other investors in these companies, great as it has been has not been excessive when compared with the average return demanded by those who risk their capital and energy in industrial enterprises. In the annual statement of Dominion Textile this year Sir Charles Gordon declared that in the nineteen years the company has been in business it has sold $261,000,000 worth of textiles. Profits distributed to shareholders in the form of dividends have amounted to only 2½ per cent. on sales.

Silent and Modest

Gordon is a silent type of individual. Being silent he is much misunderstood. He does things quietly and without saying much about his plans. I have heard it said that he likes to work in the dark. More correctly perhaps it could be said that he is not by nature fitted to play his parts in the brilliance of the spotlight. There is a wide streak of modesty in his make up; almost a shyness and so he goes ahead and does things and avoids publicity, not because he fears publicity or worries about its effect on his plans but because too much of it, either favorable or critical, is offensive to a nature that is in the main retiring.

Being the silent type of individual, he seldom appears in print. His annual reports are short and free from verbiage. His speeches consist of but few words and those will be probably clipped off. He sits at meetings of boards of directors and says little. There is one company of which he has been a director for some years. The president of the company says that Gordon has scarcely ever spoken at a directors' meeting. "He will sit through meeting after meeting" says the president, "saying nothing. But when he finally does open his mouth to speak, believe me, he says something."

He has not a pretentious home but is delightfully charming. Gordon moved out to the suburbs of Montreal many years ago, buying a house back of the mountain where there were spreading trees and wide lawns. He has stayed there. The house is a little larger, the trees are better clipped and the lawns are green but it is still off the beaten track—as retiring as its owner.

One of Sir Charles Gordon's precepts has been to surround himself with men who could perform certain jobs better than he could. He was the organizer and financier. He let other men handle the mill end; the sales end or the accountancy. He would choose men in whom he had confidence and then throw entire responsibility upon them to make good at their jobs. If they made good they got all the credit; Gordon could be counted on not to try to take upon himself the glory for a work that someone else had accomplished.

Having confidence in the men he chooses he goes to them for advice. "C. B. comes to us more for advice than we go to him" is the way one of his men puts it.

That "C.B," by the way, is all that's heard around Dominion Textile offices. Nobody who works for him ever calls him Sir Charles, not even the office boy.

Gordon has gone into other lines of business outside of textiles. He became active in the bond business first through the firm of C. Meredith and Company, later as head of the United Financial Corporation and now as chairman of the advisory board of the National City Company. It was through his financing arrangements that he became head of Dominion Glass Company. Some personal friends who had invested money in Dominion Textile in the early days and who had stuck with him through the difficult times, needed money to get Dominion Glass going. He gave the Glass people what they wanted out of sheer personal friendship, as a tribute to their loyalty to him. He raised the necessary capital and became president, giving of both his time and his money to help make a success of Dominion Glass. To-day the company has become one of the most successful of Canadian industrial enterprises. He took over a colliery proposition and has directed its destinies. Hillcrest Collieries is strong, stable and prosperous although little known to investors.

A Dollar a Year Man

In 1916 he became vice-president of the Bank of Montreal. He had been a director prior to that. The Bank of Montreal, which picked Sir Charles Gordon out of obscurity and gave him his chance to prove his mettle as an industrial giant got its reward in the sane counsel and sincere service that Sir Charles Gordon gives to that bank now.

During the war, Sir Charles Gordon became a dollar a year man. He was deputy chairman of the Imperial Munitions Board and then went to Washington as vice-chairman of the British War Mission in the United States. This took him to England and there the Minister of Munitions asked him to take charge of the British purchases of munitions in the United States. He came back to work. He never worked so hard in any of his companies as he worked during the war at Washington. He did not even get the traditional dollar a year. Instead, it is said, it cost him $40,000 to hold that job that was helping to win the war. He was knighted for his services but it can be put down in black and white that Sir Charles Gordon paid for his knighthood—paid for it in perspiration.

Gordon believes that management is the most important factor in industrial success. Tariff protection is important and essential in Canada. But high tariff walls without sound management will never make a success of a factory, he thinks.

Perhaps Gordon has a right to feel that way. Sound management, directed from the top, has been responsible for the success of his companies.

ASKS BRITISH MONEY FOR WATER POWER

British Paper Calls Attention To Growing Importance of American Capital Here

From Our Own Correspondent.

MONTREAL.—The London "Financial Times" makes a plea for larger British investment in Canadian water power development. The writer in the English paper feels that American investment in Canadian water power is outstripping British investment too rapidly, and, as it will be necessary for Canada to look abroad for money for investment in water power developments, he feels that British investors should study Canadian water power possibilities.

It is understood that this article was written by the managing director of an important British company that recently acquired an extensive interest in a Canadian company in its line. He says in part:

"There is at the present time in Canada a very strong feeling that the question of financing the water powers of Canada should be made much more a family affair than is the case at present. It is true that Canada, owing to the large amount of her commercial products, which even at the present time, exceed the value of agricultural products, is able to save enough money among private and other individuals to finance a very large portion of her water-power developments.

"These developments at the present time are likely to be in the neighborhood of almost 1,000,000 h.p. per annum if the present rate of progress is continued. If we assume, for safety's sake, that the developments will not exceed more than 500,000 h.p. per annum and that the average capital expenditure per horse-power will amount to £25, we arrive at an annual capital requirement for these two developments of £12,500,000.

"We now come to the matter which is causing a great deal of unrest among Canadian financial people and manufacturers—namely, that in the near future Canada will have to look abroad for far more of her capital in connection with water-power developments than she has obtained from outside sources in the past. She has really two sources from which she can draw capital—New York and London. We mention New York first, because New York is in the habit of financing developments in the United States even through their construction periods. An important point again in connection with these developments is that an increasing demand for power in Canada is brought about by the establishment in Canada of branch works of American industries. The writer knows of one industrial engineer who has been responsible for securing $25,000,000 of American capital for this purpose, mainly expended on the establishment of American branch works. Such a state of affairs may lead sooner or later to the industrial control of Canada by Americans; it may even lead to the power control of Canada by Americans unless steps are taken to supplement Canadian savings by the influx of money from London.

"It is really time that we in England divested ourselves of our general distrust of Canadian developments and our continual reference to the Grand Trunk troubles and took a wider and more far-seeing view, not only of the possibilities of water-power developments in Canada, but of the tremendous importance which such an interest has on future industrial predominance as between America and the British Empire."

BILLION DOLLAR INSTITUTIONS

The National City Bank of New York is now a billion-dollar institution. The bank achieved this distinction through having increased its assets $87,000,000 in the past three months. Other American billion-dollar enterprises are: the United States Steel Corporation, the American Telephone and Telegraph Co., the Standard Oil Co., and the Pennsylvania and New York Central Railways.

B. C. AS A MANUFACTURER

VICTORIA.—British Columbia is now the third manufacturing province in the Dominion, with 2,673 manufacturing establishments, an invested capital amounting to nearly $225,000,000, with over 41,000 employees, and with a value of products of approximately $260,000,000, according to government statistics.

CONSTRUCTION TOTAL BELOW 1923 LEVEL

June Figures Are Below May—Industrial Portion is Quite Low

June construction awards in Canada show a falling off from 32,966,900 to $26,185,300 compared with May. The figures are made up as follows:—

Class	Total	P. C.
Residential	$9,322,900	35.6
Business..	7,620,900	29.2
Industrial	1,195,500	4.5
P. works, etc.	8,046,000	30.7
	26,185,300	100.0

Contemplated new work, according to MacLean's reports, totals $30,169,500. Six months' permits total $128,723,100 compared with $165,323,200 the first six months of last year and $132,452,000 in 1922. During this period residential building shows a falling off from 1923 total of 19.5 per cent; business building 15.8 per cent; industrial building 61.8 per cent.; public works and utilities 14.3 per cent.

Six months' construction by provinces is shown as follows:

	1924	1923	Chg.
Ont. . .	$ 68,254,400	$ 84,020,600	—18.7
Que. . .	35,571,400	53,032,600	—32.9
B. C. . .	12,045,400	10,582,600	+14.0
N. S. . .	2,423,700	2,276,000	+ 6.9
Man. . .	3,078,700	5,842,500	—47.3
Alta. . .	3,223,400	4,851,100	—33.5
N. B. . .	1,199,900	1,925,900	—37.8
Sask. . .	2,896,200	2,453,400	+18.0
P. E. I. .	30,000	338,500	—91.2
	$128,723,100	$165,323,200	—22.1

A Busy Season in the N.S. Gypsum Quarries

SYDNEY.—The busiest season in many years is expected by Cape Breton gypsum quarry companies, which are already booked to capacity with orders from Newfoundland, Canada and the United States. Plaster for domestic building purposes takes the greater part of the output.

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NICKEL COS. HAVE STUDIED QUESTION OF SULPHUR OUTPUT

Production of Liquid Sulphur Would Involve Changes in Plant

BOTHERS SMELTERS

Method of Producing Elemental Sulphur From Gases Would Give Canada Large Supply

The intimation that if Canada places an embargo on pulpwood the United States may counter with an embargo on sulphur, so necessary in the manufacture of paper, is not taken seriously by mining authorities who believe that such action might actually have some advantage. It would perhaps force the development of Canada's own deposits. The nickel mines have been experimenting to develop a method of extracting sulphur from the ores and there are possibilities in this direction. John L. Agnew, president International Nickel Co. has given THE FINANCIAL POST some interesting data on the study which his company has made of the possibility of their producing sulphur. He writes:

"The pulp industry chiefly uses sulphur in their plants as sulphur dioxide, which they now obtain by buying the brimstone (or elemental sulphur) from the Southern States, and burning it in their plants to SO_2. This led us some time ago, when investigating the matter of by-products which could be obtained from our ores, to endeavor to find a process for the production of elemental sulphur, which we knew if obtained, would successfully compete with the sulphur which is pumped up by the people in Louisiana and Texas. We were very interested in endeavoring to obtain elemental sulphur from our gases, because of the ease with which it could be shipped in box cars, no special equipment being needed, but so far no process has been brought forward which holds hope of successfully producing sulphur in this form.

"It is needless to say that not only has the nickel industry looked into the matter thoroughly, but practically every smelter in America has done so because of the nuisance which the gases cause, and the large profit which could be obtained if some successful means were worked out.

"We next attacked the problem of making liquid SO_2, and after a very exhaustive study of the subject with some of the pulp and paper people, we came to the conclusion that the production cost of liquid SO_2 would be about $9 per ton, no profit or amortization of plant in this figure. The pulp and paper trade intimated that it would probably take considerable time to overcome the prejudices to the use of sulphur in this form, and that also, certain changes in their plants would have to be made, but they thought that in the end it would prove a very much more efficient means of control in their plants than their present method, but the capital investment would be very large, particularly the rolling stock we would have to buy, inasmuch as liquid SO_2 must be compressed to about 55 pounds and shipped in tank cars under this pressure; and when looking into the matter of what the south-western sulphur fields could do when faced with our competition, it was thought that possibly they would cut the price of sulphur to $15 a ton, in which case our $9 price would be out of line, when you consider that liquid SO_2 only contains half the amount of sulphur.

"Some years ago we considered the manufacture of sulphuric acid, that is to say 66 deg. Beaume acid, but the acid has no field in the pulp and paper industry, and the general trade in Canada is not sufficiently large to warrant much of an investment in an acid plant.

"The question of freight rates again on this commodity mitigates against its successful manufacture and wide distribution.

"As far as the supply of sulphuric acid is concerned, there is no doubt that the nickel companies could produce a great deal more acid than could be consumed in the country, a rough computation showing that about 1,500 tons of acid could be produced per day, which would be equivalent to 450,000 tons of 60 deg. acid per year, and the present yearly consumption of acid in Canada is figured at no more than 50,000 tons.

"In conclusion, I may say that it seems to me that we will only arrive at a satisfactory solution of the problem when those smelters in Canada, which are working with sulphide ores, have perfected some means whereby elemental sulphur can be produced from the gases. This being attained, we would be able not only to supply all the needs of the pulp and paper industry, but have a large surplus for export."

W. G. Watson is Manager Toronto General Trusts

W. G. Watson succeeds, as general manager of the Toronto General Trusts Corporation, the late A. D. Langmuir. Mr. Watson, who has occupied the position of assistant general manager for the past nine years, joined the staff as an accountant in 1897, and in 1899 was made chief accountant. During the years he has acquired a thorough knowledge of every department of trust company service, especially the administration of estates and trusts and the investment of funds, in which he is a recognized authority. Through close and intimate acquaintance with the late J. W. Langmuir, founder and first general manager of the corporation, and with A. D. Langmuir, his successor, he is well versed in the policies of the corporation, and, through attendance for many years at the weekly meetings of the directorate, has a thorough grasp of the business in all its ramifications. He was appointed secretary of the corporation in 1906, and occupied this position until 1915, when he became assistant general manager.

Social Service Cloak for Communism at University

The clever and insidious methods by which Communist propaganda is being spread in this country were again made evident at the recent conference of social and welfare workers held in Toronto. And the affiliations with university activities was brought out by the fact that the sessions were held in Convocation Hall at the University of Toronto.

The imported speakers, appealing to the public for support in social work included those of well-intentioned workers seeking to better conditions, but they included, also, others whose intentions are anything but what they seem—who were active some years ago in helping America to keep out of the war, and in such patriotic efforts as blowing up munitions plants and bridges of railways employed in carrying troops.

Take for instance, Roger N. Baldwin, of New York, who presented a committee report on "Sources of Power for Industrial Freedom." Baldwin as an intellectual anarchist served a year as a draft dodger during the war and is described in official records as "an intimate friend of the most radical Communists." He has been prominent in the organization of labor educational societies, Liberal clubs, leagues for industrial democracy in the colleges for the spread of radical propaganda in Harvard and other universities such as the International Liberal League. Baldwin is a close associate of William Z. Foster in his Red organizations, including the Labor Defence Council, for which he helped raise funds. But let the reader peruse the following paragraphs from the passages referring to the activities of Baldwin and his associates from the records contained in "Reds in America," a digest of documents seized by United States government authorities in the raid upon the convention of the Communist Party of America at Bridgman, Mich., Aug., 1922:

"Prominent in the organization of the Intercollegiate Liberal League were men notorious as radicals, as well as men whose patriotism and Americanism cannot be questioned . . . Roger N. Baldwin, head of the American Civil Liberties Bureau, 'conscientious objector,' who served a prison term as a 'draft dodger' during the war, and intimate friend of the most radical Communists, was one of the organizers."

"Roger N. Baldwin, the 'slacker' during the war who served a sentence in prison, is one of the active heads of the American Civil Liberties Union which is definitely linked with Communism through the system of interlocking directorates so successfully used by the Communist party of America in penetrating into every possible organization with a view to getting control so that when the time comes for the great general strike which, they believe and hope, will lead to the overthrow of the government by violence, they will already have these bodies definitely aligned with them."

"Baldwin, one of the directors of the American Civil Liberties Union, has stated, in setting forth the purposes and principles of the union, that 'the advocacy of murder, unaccompanied by any act, is within the legitimate scope of free speech,' and in telling the position of the members of the organization he says: 'All of them believe in the right of persons to advocate the overthrow of government by force and violence. We want to, also, look like patriots in everything we do. We want to get a lot of good flags, talk a good deal about the Constitution and what our forefathers wanted to make of this country, and to show that we are the fellows who really stand for the spirit of our institutions.' It is evident that these people see no crime in the advocacy of crime, even though that crime reaches the stage of treason and sedition."

And let us also examine the report which Baldwin made to these social workers. It has nothing to do with the direct betterment of conditions of the needy, but advocates all sorts of radical industrial reforms which, if carried into effect will effectively serve to weaken the industrial effectiveness of America. No recognition is given to the progress which has been made in bettering these conditions, but it is declared that "since the war labor legislation has received severe set-backs at the hands of courts and legislatures." Then follows the outline of a campaign to use influence to secure the passage of "desired" legislation. The things which many good citizens recognize as needed reforms are cleverly combined with radical proposals which would upset the economic balance and destroy commercial and financial stability. Such questions as "What are the processes by which industrial freedom can be achieved?" are asked and the inference is that something radical must be done to change the present order. Other questions to which delegates are asked to work out answers include:

"What are the limitations of the results obtainable through legislative efforts?"

"To what extent are the courts dominated by the property point of view?"

"What are the possible points of alliance and participation between social workers and the trade unions?"

"Is there occasion for a political party committed to such proposals as social legislation, public control of natural resources and of public utilities, public control of money and credit, preservation of civil rights and reform of the judiciary?"

"To what extent may scientific research become a vital part of the trend toward freedom?"

A brief examination of these questions will indicate the danger of having men and women imbued with a desire to better conditions, meddling with economic and legislative affairs of which they can have little knowledge and which, despite what weaknesses they may have, are the outcome of centuries of careful study and adjustment by the highest minds of our civilization.

Another participant in this social conference who took a modest part in the proceedings has been recognized as being a serious menace to the business interests of this country.

Why should the buildings of Toronto university, established and maintained at the expense of the province, be used for the spread of anti-British, anti-constitutional propaganda looking to the overthrow of our social structure and the consequent weakening of our financial and industrial system. One of the speakers advocated support of an anti-British revolution in India.

Who is responsible for placing university buildings and facilities at disposal of these people whose main aim is to stir up trouble between classes in Canada?

MANY ONTARIO FARMS ARE NOW LYING UNTILLED

A Big Problem Being Considered by Boards of Trade

LONDON.—Townships and municipal councils, boards of trade and chambers of commerce of Western Ontario will probably be asked to send representatives to a meeting which will be held somewhere in the peninsula this fall to discuss ways and means to counteract a clearly defined tendency which if unchecked will, it is believed, threaten the prosperity of this part of the Dominion, it is announced by Lt.-Col. Walter J. Brown, of London, the president.

Prosperity in the fourteen counties of Western Ontario, as elsewhere in Canada, is dependent largely upon agriculture, yet it is claimed that the younger generation is flocking to the cities and towns, and the lack of adequate means to replace the shrinkage in the numbers of skilled farmers caused by migration, retirement and death have brought about a condition, the results of which are already sufficiently obvious to demand attention and action.

For some years the Western Ontario united boards of trade, an affiliation of many of the boards of trade and chamber of commerce of Perth, Brant, Huron, Waterloo, Kent, Essex, Grey, Lambton, Elgin, Wellington, Oxford, Middlesex, Bruce, and Norfolk, having given attention to certain broad aspects of agriculture. With the aid of township clerks of the fourteen counties above named—over two-thirds of the total of 157 township clerks having co-operated, some facts have been secured which it is claimed, not without justification, indicate a marked tendency towards reduction in the number of Western Ontario skilled agriculturists actively engaged in productive work. The farmers of the present generation are, of course, growing older and in many instances farms are growing larger, as the most likely purchaser of farm property is the neighboring farmer, and the figures which follow show that there is an obvious tendency towards increase of cleared but idle land.

The figures secured must be accepted at face value. They are obtained from a hundred independent sources and compiled merely with a view to ascertaining actual conditions.

They show that of the farms of the fourteen counties of Western Ontario, 212,607 acres are known to be for sale; farms actually vacant not including those abandoned as useless for agricultural purposes, have together 75,000 acres and there is reported also 100,000 of cleared land in pasture over necessary requirements. According to statistics secured from the Provincial Department of Agriculture's Crop Reports (1922) 100,000 acres in general field crops yields $2,000,000 annually. Of course, it can quite justly be said that an increase in the demand for beef cattle would reduce the unproductive land in pasture; that farms offered for sale may be cultivated by the present owners for many years and that increased production, if the land were fully cultivated, might adversely affect the already inadequate remuneration of agriculture at present prices for produce of all kinds. These are, of course, circumstances which should not be lost sight of, and there are possibly other phases of the matter requiring consideration.

However, the area reported to be for sale, or in vacant farms—or in unproductive pasture—with one-third of Western Ontario yet to hear from, approximately 400,000 acres, or about one-sixteenth of the total cleared land of the fourteen counties of Western Ontario—indicates a well defined tendency toward reduction in the number of Western Ontario's skilled agriculturists and this, if admitted, is, it is claimed, a basic condition striking at the roots of prosperity which cannot be disregarded without risk.

Members of the united boards are asking where skilled agriculturists are to be found to buy and cultivate the farms now offered for sale and those of other farmers who may in the natural course of events be expected to retire. If there is a tendency detrimental to the interests of Western Ontario, it is considered folly to ignore it and Western Ontarians should, it is submitted, get together and see what can be done to check it.

COSTS AND NOT PRICES AT FAULT, CLAIM FARMERS

Proposal for Conference of Financial and Other Interests

To devise means of overcoming the present agricultural depression, a round-table conference between all interests has been suggested by the Ontario Agricultural Inquiry Committee, which has recently conducted investigations throughout this province. The conference will serve, it is hoped, to discover the best methods of overcoming conditions, which, in the opinion of the committee, are doing much to prevent the proper expansion of agriculture in Ontario. A report by the committee says:

"The Agricultural Inquiry Committee has found in the farming community a strong spirit of co-operation that is ready and willing to work together with industrial and commercial interests in well-considered efforts to restore the even tenor of progress in this Province and Dominion. The committee has been distinctly impressed by repeated assertions made by scores of farmers who have come before it to the effect that promotion of a better understanding between the urban and rural communities is worth while.

"Briefly, what the committee has heard on every hand is that farmers are not disappointed, and have no complaint to make of lower prices that have ruled during the past three years. On the contrary, the prevailing range of prices for their products is considered high enough, other things being equal.

Farmer's Difficulty

"The farmer's difficulty is encountered when he enters the market to buy, as buy he must, all the commodities necessary to his occupation, to his life and to the support and education of his family. The price the farmer receives does not allow him to buy to the measure of normal necessity, with the result that the farm is producing less than it did, and that the farmer is not marketing in special areas the whole of his production. He is trying to make ends meet by buying less of the implements of production and of manufactured commodities. He is not in a position to pay the wages demanded for farm help, and consequently man power and purchasing of the rural community are declining. This does not mean that the Ontario farmer is less intelligent, energetic or public spirited. He is in every respect a first-class farmer, and his sons and daughters have strong faith in the independence and dignity of agriculture.

Returns Not Adequate

"The situation is this, that the farm is not producing an average return—except in special lines, which a large number, indeed, have been quick to enter—and that the manufacturer, the merchant and varied sources of employment feel the slackening touch of depression in the basic industry.

"The tonnage supplied by the farms to transportation companies tells the story of present conditions plainly enough. The comparative statement of commodity tonnage handled by the Canadian National Railways in the years 1923 and 1922 shows large decreases in oats, corn, barley, rye, other grains, milk products, apples, potatoes, etc.

"The Agricultural Inquiry Committee has gone to the farmer himself to learn the facts of his situation. It has found his attitude to be practical, looking in the first place to community co-operation, but anxious to promote co-operation with other interests for the welfare of all.

Favors Public Ownership

"Cost of transportation is perhaps the biggest stumbling-block to agricultural recovery. The farmer realizes as clearly as his commercial neighbor the value of high-grade service rendered by a railway system that is operated as a public utility. The farmer realizes that transportation is a joint problem, calling for closer co-operation among all interests in the country, industrial, financial and agricultural. Our system of National Railways is the property of the people, and of its operating returns the people naturally expect an equitable distribution, with due regard to adequate pay for all its efficient employees. The farmer, who supplies so large a proportion of tonnage, naturally wants his place in the sun of public ownership. He would view with special satisfaction an increasing volume and variety of agricultural tonnage carried by the publicly owned railway system of Canada. The farmer favors the policy of public ownership through conviction that it will make Canada a better country for people to come to and to live in; that it will help to build up local markets where producer and consumer can meet to their mutual advantage."

GOVERNMENT AND BUSINESS

(Montreal Herald)

Another illustration of the unwisdom of government participation in business is provided by the disclosures regarding the Co-operative Creamery Company of Regina.

After a guarantee of credit of some $729,000 from the government had been obtained and a bonus of $200,000 had been sought, the Government found that it was time for an investigation, which showed some of the plants to be burdensome owing to provision being made for greater volume of business than now exists, and that in view of these and other findings, it was not considered possible to recommend a reconsideration of the basis upon which financial assistance had been granted by the Government, at least "until such time as the company gives evidence of having managed its affairs in a proper and business-like manner."

Meanwhile the backwardness of the farmers in this country in adopting modern methods of marketing is illustrated by a letter written to Vice-president W. D. Robb, of the Canadian National Railways, by W. J. Black, European manager, Colonization and Development Department of the National Railways, in London, England. Mr. Black's letter said he found it hard to find Canadian bacon, Canadian cheese, Canadian butter, or Canadian apples in the stores in London, but he found plenty of the products of Denmark, Ireland and the United States.

"It is apparent that hereafter it will be necessary for Canadian producers to give greater attention to standardizing their goods if they are to claim a place in the greater markets of the world," he writes, adding in regard to dairy products: "If Canada is to have the share of the British market which is rightly hers, she must follow largely in the footsteps of the Dane. Uniform standards in food production must be adopted and maintained. It will still be the old creed, 'Anything that is worth doing at all, is worth doing well.'"

SALE
PROVINCE OF NEW BRUNSWICK FIVE PER CENT. DEBENTURES
$1,161,000.00 Ten or Twenty Years

The Government of the Province of New Brunswick will receive tenders up to 3 o'clock p.m. on Tuesday, the 15th day of July, 1924, for $1,161,000 Province of New Brunswick 5 per cent. Debentures dated the 15th day of July, 1924, due the 15th day of July, 1944, bearing interest at the rate of five per centum per annum, payable half-yearly on the 15th day of January and 15th day of July, principal and interest payable in Gold Coin of lawful money of Canada, at the office of the Provincial Secretary-Treasurer, Fredericton, N.B., or at the Bank of Montreal, in St. John, Montreal or Toronto, Canada, at the holder's option.

Debentures to be in the denomination of $1,000 each with coupons attached and may be registered as to Principal only. Full payment for Debentures with accrued interest to date of payment to be made at the Bank of Montreal, Fredericton, on the delivery of Interim Securities at said Bank.

Interim Securities to be exchanged for Definite Debentures on completion by the purchaser of the issue. Definite Debentures to be delivered to the purchaser at place named by him.

Sealed Tenders endorsed "Tenders for Province of New Brunswick Debentures" should be addressed to THE PROVINCIAL TREASURER, FREDERICTON, NEW BRUNSWICK.

Tenders must be for the whole amount offered and must be accompanied by a marked cheque for $10,000, to be applied in the case of the successful Tenderer as part payment for Debentures.

Alternative bids are requested for ten year Debentures as above described payable in Canada and New York City, U.S.A.

All bids to be made in Fredericton funds.

The above Debentures will be issued for the following purposes: Permanent Roads, $500,000; Permanent Bridges, $400,000; St. John & Quebec Railway, $261,000, and authorized by the Legislative Assembly of New Brunswick.

The highest or any tender not necessarily accepted.

J. E. HETHERINGTON,
Provincial Secretary-Treasurer.

Fredericton, N.B., July 5th, 1924.

LOW POWER MAKES U. S. PAPER MILLS MOVE TO CANADA

(Continued from page 1)

Company—in importance. That is where Canada has an interest in the deal for the paper company that becomes a power company in the States moves its paper-making activities to Canada.

Something along the same line is going on in the International Paper Company which is putting electric turbines where water wheels used to be and is increasing its paper manufacturing facilities in Canada to take up the stock.

The bond issue this week consisted of $1,500,000 of 6½ per cent. serial gold debentures maturing up to 1934. The issue was sold by E. H. Rollins & Sons and F. L. Carlisle & Co. Mr. Carlisle is president of the St. Regis Paper Company of Canada. The circular offering the issue in New York said in part:

"St. Regis Paper Company of Canada, Ltd., is a large producer of pulp wood, with an annual capacity of over 100,000 cords. Its properties consist of freehold timber limits owned in fee, or under contract to locate, in the Province of Quebec, comprising 168,934 acres, with logging plants and equipment, which have been appraised at a sound value of over $3,400,000. The company will acquire forthwith a site for a pulp and paper mill in the Province of Quebec and additional timberlands.

"The timber limits of the company contain, according to an estimate by independent engineers, over 2,000,000 cords of pulpwood which is sufficient to meet the requirements for twenty years of the St. Regis Paper Company, which owns substantially the entire common stock of the Canadian company and takes, under contract, its entire output.

"The St. Regis Paper Company, incorporated under the laws of the State of New York in 1899, with its subsidiary the Hanna Paper Corporation, is the third largest news print manufacturing company in the United States, with a combined annual output of 140,000 tons, chiefly news print. Its mills are located at Deferiet, Black River, Herrings, Norfolk, Norwood and Raymondville, in northern New York.

"The St. Regis Paper Company controls the Power Corporation of the New York system, which generates and distributes hydro-electric and hydro-mechanical power in the territory of northern New York. This system, by reason of interconnections, already existing and under construction, with other large systems including Niagara, Lockport & Ontario Power Company and Utica Gas & Electric Company is also the source of an increasing amount of power for the industrial markets of central New York."

PACK OF B. C. FRUIT GROWERS

VERNON.—The annual report of the Associated Growers for the first year's operation—1923—shows that 3,132,182 packages of fruit were handled. Sales totalled $3,279,609, of this $2,954,572 was for fruit and $375,037 for vegetables. Of the 4,212 carloads shipped, 3,287 went to Canadian points, while 927 cars, or 22 per cent., were exported. Export shipments were made to the United States, Great Britain, Scandinavia, New Zealand, South Africa, China, Holland,

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KENTVILLE, N. S.—Reports concerning the apple crop in the Annapolis Valley show that the entire crop, including the estimated local consumption, was 1,816,000 barrels. The growers exported 1,252,725 barrels to European and other markets, and sent the major part of the crop to the United Kingdom, although the Canadian market absorbed 190,000 bushels.

Abitibi Power & Paper Company Limited

NOTICE IS HEREBY GIVEN that a quarterly dividend of $1.00 per share has been declared on the Common Stock of the Abitibi Power & Paper Company, Limited, payable the 21st day of July, 1924, to shareholders of record at the close of business the 10th day of July, 1924.

By Order of the Board,
L. R. WILSON,
Secretary.

The Trinidad Electric Co. Limited

NOTICE IS HEREBY GIVEN that a dividend of 1¼% for the quarter ending June 30th, 1924, on the Capital Stock of the Company has been declared.

Warrants will be issued and mailed to the address of each shareholder and are payable at the Royal Bank of Canada, Halifax, N.S., on and after the 10th July, 1924.

The transfer books of the Company will be closed from the 1st to the 10th of July, 1924, both days inclusive.

By Order of the Board,
F. B. OXLEY,
Secretary.

Dominion Textile Company Limited

Notice of Dividend

A DIVIDEND of one and three-quarters per cent. (1¾%) on the Preferred Stock of DOMINION TEXTILE COMPANY, LIMITED, has been declared for the quarter ending 30th June, 1924, payable 15th July, to shareholders of record June 30th.

By order of the Board.
JAS. H. WEBB,
Secretary-Treasurer.

Montreal, June 2nd, 1924.

Howard Smith Paper Mills, Limited

Dividend Notice on Common and Preferred Stock

NOTICE IS HEREBY GIVEN that a dividend of 1% on the Common Stock and a dividend of 2% on the Preferred Stock of the HOWARD SMITH PAPER MILLS, Limited, has been declared for the quarter ending the 30th day of June, 1924, payable on the 21st day of July, 1924, to shareholders of record at the close of business on the 10th day of July, 1924.

By Order of the Board.
HAROLD CRABTREE,
Secretary.

Montreal, June 25, 1924.

PENMANS LIMITED

Dividend Notice

NOTICE IS HEREBY GIVEN that the following Dividends have been declared for the quarter ending 31st July, 1924:

On the Preferred Stock, one and one-half per cent. (1½%) payable on the 1st day of August to Shareholders of record of the 21st day of July, 1924.

On the Common Stock, two per cent. (2%) payable on the 15th day of August to Shareholders of record of the 5th day of August, 1924.

By Order of the Board.
C. B. ROBINSON,
Secretary-Treasurer.

Montreal, 23rd June, 1924.

BELDING CORTICELLI LIMITED

Dividend No. 39

NOTICE IS HEREBY GIVEN that on the Preference Stock of this Company the Directors have declared a dividend of 1¾% payable on the 15th of September to shareholders of record at the close of business the first day of September, 1924.

By Order of the Board.
J. P. KENNEDY,
Secretary pro tem.

BELDING CORTICELLI LIMITED

Common Stock Dividend No. 2

THE directors of Belding Corticelli Limited are making a distribution from the earnings of the half year ended May 31st, 1924, of 2% on the Common Stock of the Company, payable August 1st to Shareholders of record July 15th, 1924.

By Order of the Board.
J. P. KENNEDY,
Secretary pro tem.